

26/05/1999

A blend of ancient and modern

Abdel Ilah Kurdi

WHEN I arrived in Kuala Lumpur in September 1997, to set up the first Embassy of the Hashemite Kingdom of Jordan in Malaysia, my task was simple: to advance bilateral ties by building on what had already been established.

Now nearly two years down the road since diplomatic ties between the two countries were first established, I look back at the development of our relations with contentment but not with satisfaction. While the two leaderships have sown the seeds for the progress of those relations, it is now up to us - representatives of governments to ensure that the road towards further cooperation in all facets and spheres remains ever open and well paved for locomotion.

During his 1994 visit to Jordan, Datuk Seri Dr Mahathir Mohamad made clear his intention to promote bilateral ties between Kuala Lumpur and Amman in various fields that covered education, culture, tourism, trade and joint projects as well as investments. Jordan's Prime Minister, under the instruction of His Majesty the late King Hussein bin Talal, reiterated in reciprocity the Jordanian Government's interest in pushing forward bilateral ties between the two countries during his 1997 visit to Malaysia.

As Jordan celebrates its 53rd Independence Day, it embarks on a new era, full of hope and determination under the leadership of His Majesty King Abdullah bin Al-Hussein, who is determined to see what his late father had begun, completed.

While my keenness to work relentlessly in order to serve the friendship and cooperation between our two countries grows by the hour, I am seizing this opportunity to first, express to the people and Government of Malaysia my sincere wishes for further prosperity and success and second, to invite Malaysians from all walks of life to contribute to the progress of this relationship of friendship, cooperation and mutual interest and respect between Jordan and Malaysia.

Businessmen who are seeking opportunities to invest abroad will certainly find investing in Jordan exceptionally auspicious and lucrative. Students looking for quality education in a liberal, yet cultured and safe environment will savour both studying and living in Jordan.

Tourists who are interested in unique historical and archaeological sites, religious tourism (Muslim and Christian), recreational tourism and cultural entertainment are certain to enjoy many aspects of their visit to Jordan, where they would also encounter hospitable people and a beautiful moderate climate.

Everything therefore is in the hands of the people; the business communities, the students, the tourists and others to tread across the path of friendship and cooperation between Malaysia and Jordan and I will be as eager as they are to make every step they take on that path beneficial and rewarding.

The following paragraphs give an indication of recent data on the Jordanian economy and the advantages of establishing business links with Jordan.

The Jordanian economy is primarily service-oriented. The financial sector is highly developed for an economy of its size, accounting for 17 per cent of gross domestic product (GDP) in 1996. This sector is poised to see further growth as a result of the recently enacted securities law

which expands the financial services that banks will be able to offer. Non-financial services are dominated by transportation and communications, accounting for 14 per cent of GDP. And trade, restaurants and hotels, which amount to 11 per cent. Growth in these sectors is somewhat more dependent on regional politics. Jordan is well positioned to be a regional hub for trade and transportation and has numerous natural and historic attractions to recommend it as a tourist destination, but the full potential of these industries will only be realised with progress in the peace process and the re-admission of Iraq into the international community.

Mining and manufacturing industries generate 20 per cent of the economic activity in Jordan. Currently, these sectors are dominated by fertiliser production. The fate of this sector depends upon international fertiliser prices. However, non-traditional manufactures have been growing in recent years, encouraged in part by new legal frameworks and tax incentives which make industrial investment more attractive. Construction and agriculture should remain stable at eight per cent and six per cent of GDP respectively.

The public sector controls a fairly small portion of the economy, contributing only 14 per cent to 1992 GDP. Public sector activity is concentrated in mining and public utilities.

Jordan combines three key competitive attributes:

- \* Its strategic location.
- \* Its access to foreign markets.
- \* Its high caliber and competitively priced human resource.

Situated at the meeting point of three continents. Jordan has developed into a modern country that integrates ancient heritage and West Asian hospitality with high standards of education and advanced communication technology. Jordan presents an ideal gateway to the Mena region and the rest of the world. It shares borders with five Mena countries: Iraq, Syria, Saudi Arabia, Israel and the Palestinian National Authority territories.

Jordan has an 85 per cent literacy rate - one of the highest in the region. With its large pool of high caliber intellectual and professional expertise, it is a major supplier of brainpower to neighbouring Mena countries.

Jordan's human resources offer a range of distinct services in the engineering, medical and educational sectors. A notable improvement in the quality and diversity of the labour force took place in recent years with the return of expatriates from the Gulf countries, especially in the field of information technology.

Jordan's manufacturing labour cost per hour is significantly lower than that of other nations. It is equivalent to 5 per cent of Japan's labour cost, 7.4 per cent of the US' labour cost, 9.4 per cent of the UK's labour cost, 10.6 per cent of Israel's labour cost and 37.5 per cent of Bahrain's labour cost. Jordan's labour cost is closer to that of India and China. A key component of the Government's economic policy is the continued development of export-led industries, which require a sustained increase in the level of private investment. The Government is implementing this strategy together with a programme of economic reform in a number of key areas that have a direct impact on investment.

In addition, Jordan has also instituted an International Monetary Fund structural adjustment programme in 1989 and adopted two economic and social developmental plans.