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APEC-ANALYSIS
NEW MOOD, NEW MOMENTUM AT BRUNEI APEC

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BANDAR SERI BEGAWAN, Nov 17 (Bernama) -- A new mood and momentum prevailed at the just-concluded Asia-Pacific Economic Cooperation (APEC) Forum meetings and summit in oil-rich Brunei.

Although the smallest in size among APEC members, Brunei and its ruler, Sultan Haji Hassanal Bolkiah, rose to the occasion despite some doubts cast on their ability to pull it off earlier.

The summit in the sultanate was incident-free and not sidelined by other issues like what happened in Auckland last year when the summit was distracted by the East Timor issue.

Leaders can claim that the Brunei APEC summit has been one of the best in terms of concrete outcomes.

For Malaysia, its biggest achievement was the ability to drive home the point to other APEC economies -- both big and small -- that a fresh round of World Trade Organisation (WTO) talks cannot materialise until and unless a credible agenda acceptable to all is set out first.

Asia-Pacific leaders seemed to have buried their differences and agreed to Malaysia's request for setting an agenda first except that they have gone one step further by saying that the "agenda and a new round should both commence in 2001."

Some might claim that it is a victory for the U.S., Australia and other developed nations which wanted a deadline to start a fresh round of trade talks against Malaysia's insistence of an agenda in place first.

No doubt, there is a deadline now (2001), but then again, you can't have a new round without an agenda first. Washington and Canberra had to accede to general consensus in the end. Hence a "win-win" situation for everybody when the deliberations concluded.

Prime Minister Datuk Seri Dr Mahathir Mohamad, representing Malaysia at the leaders' summit, said Apec members, especially developing economies, agreed to a new round in 2001 on condition that an agenda was in place first.

Credit must go to International Trade and Industry Minister Datuk Seri Rafidah Aziz for her relentless efforts and constant reminder to her APEC colleagues to agree on an "adopt an agenda first, talk later" stance.

And several APEC economies quietly supported Malaysia's stand on the basis of its validity. Kuala Lumpur's logic for an "agenda first, talk later" platform was mainly to safeguard the interests of smaller economies, given the many unresolved issues resulting from the Uruguay Round, which preceded the WTO.

But many of these economies chose not to be vocal on the matter and let Malaysia do the talking. And Malaysia did admirably.

When a beaming Rafidah emerged from the ministerial meeting, she said, "That is good. It just proves that we are right and APEC has seen Malaysia's point, I am glad they have taken this step."

More importantly, what must be done now is for all WTO members to muster political will and exercise flexibility to ensure that they agree on the contents of the agenda or else the new round would not be able to take off.

Dr Mahathir also rightly pointed out that meetings among the few selected developed nations on the sidelines of the collapsed Seattle WTO meeting last December were not beneficial as these were not formal meetings.

"They come up with decisions and force them upon the 140-member WTO," he said.

As an organised institution, the Geneva-based trade body should function in an orderly manner. Developing countries have much to gain from the right representations they make to WTO.

The not-so-developed economies should not be cowed by the big players who want to call the shots all the time and force everything down the former's throats.

Another feather in the cap for Malaysia at this year's APEC summit came in the form of recognition for its call on reforms to the international financial architecture. This point obviously received wider acceptance among APEC economies this time around since it was mentioned in Paragraph Nine of the Leaders' Declaration.

A sweet victory indeed considering the fact that Malaysia was a victim of lawlessness in international financial markets when rogue currency speculators attacked the ringgit.

Malaysia feels that it is in the interest of every economy in APEC, especially the smaller ones, to have a secure and stable financial environment so that they can fend off attacks from such manipulators.

Malaysia has been driving home this point ever since it was hit by the regional financial crisis of 1997-98. This forced the government to adopt selective capital controls, which included pegging the ringgit against the US dollar at RM3.80, a move which has worked well in the country's favour now that its economy has rebounded.

Another interesting point emanating from this year's meeting was the call to APEC Forum that listening is a virtue. The APEC Business Advisory Council (ABAC), the region's private sector voice, stressed that it is wise for the APEC Forum to listen to grouses of businesses.

In a clarion call to the APEC Forum to be more business-like, ABAC has asked governments to cut the rhetoric and get things moving quickly.

There is merit in this argument because it would bolster the region's economy and bring its 21 diverse economies closer, says ABAC.

Simply put, the private sector wants more action, not more rules, to push APEC forward.

But only time will tell whether APEC, now on to its 11th year, would pare down the talk and become more action-oriented.

By the time the leaders meet again in Shanghai next year, both sides -- government and private -- hope that many initiatives declared in Brunei may be translated into action.

Such processes must benefit not just a few economies or some transnational companies or a few people. The whole regional community must benefit. That would be the best outcome for the APEC Forum to counter the occasional heavy fire that the grouping is irrelevant. -- BERNAMA

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