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Philippines-Ties (News Analysis)

MALAYSIA-PHILIPPINE TIES WARMING UP AGAIN

MANILA, Feb 22 (Bernama) -- Bilateral ties between Malaysia and the Philippines, which went through bouts of ups and downs over the years, is showing signs of warming up again.

For the first time in three years, Malaysia is sending a high-powered mission to Manila to resuscitate bilateral trade and investment relations which has sunk to a low point.

Led by International Trade and Industry Minister Datuk Seri Rafidah Aziz, the mission will be in Manila from March 7 to 10 to explore and seal possible deals with Filipino businessmen.

The Philippines-Malaysia Business Council and the Philippines Chamber of Commerce and Industry (PCCI) are jointly hosting the mission.

"We are extremely happy that Malaysia is taking a new look at the business opportunities in the Philippines now that we have a new government," says PCCI president Miguel Varela.

Malaysians were among the biggest investors in the Philippines during the time of then president Fidel Ramos who struck a close personal rapport with Prime Minister Datuk Seri Dr Mahathir Mohamad.

Hong Leong Bhd, Renong Bhd, Ekran Bhd, Berjaya Group of Companies, Kuok and Petronas were among corporate behemoths which have invested in manufacturing, property, transport and other allied ventures.

When Joseph Estrada succeeded Ramos in 1998, bilateral relations began to go awry. Ramos was largely credited for reviving trade and investments between the two Asean partners.

Estrada's off-the-cuff comment in support of sacked Deputy Prime Minister Datuk Seri Anwar Ibrahim turned off Kuala Lumpur, viewing it as an interference in Malaysia's internal affairs. He also remarked on Manila's claim to Sabah. Suddenly, Malaysian investments turned dry.

Like his "good friend" Anwar, Estrada is also jail-bound. He is facing non-bailable economic plunder cases in court.

But since Gloria Arroyo became president last Jan 20, unmistakable signs pointed to a resurgence of warm ties between Malaysia and the Philippines.

Dr Mahathir was among the first foreign leaders to congratulate Arroyo on her ascent to the presidency after Estrada was toppled in a military-backed popular uprising.

He sent to Manila no less than his daughter Marina to call on Arroyo, a meeting seen by political analysts as a "positive development" for the two countries.

Arroyo herself says the Sabah issue and other contentious matters should not strain ties between the Philippines and Malaysia.

"This is my attitude and this is also the attitude of Malaysian Prime Minister Mahathir Mohamad," she says.

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