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MALAYSIA-INVEST

M'SIA OUGHT TO BE A PRIME TARGET FOR DIRECT INVESTMENT, SAYS ANALYST

KUALA LUMPUR, Nov 20 (Bernama) -- Among the Asian economies, Malaysia ought to be a prime target for direct or equity investment amidst greater recognition on the need for better corporate governance, said author, business analyst and columnist, Michael Backman.

This scenario is backed by more realistic asset prices, better securities law, fewer and bigger banks and better bankruptcy provisions, he said.

"There is no doubt on that. Malaysia is getting better and better," Backman said in his paper entitled: "Is It Time To Invest In Asia Again" at the Malaysian Institute of Economic Research (MIER) brown bag seminar here today.

He said that the professionalism and efficiency of bodies like Pengurusan Danaharta Nasional Bhd, Danamodal Nasional Bhd and the Corporate Debt Restructuring Committee (CDRC) ensured that they would serve not just as models for the region in future but for all countries in future when they run into severe financial difficulties.

The Kuala Lumpur Stock Exchange (KLSE) is also prepared to reprimand and fine companies without fear or favour, no matter how powerful the people behind them are perceived to be, he added.

On the other hand, Backman said that Malaysia like other countries, has also made economic mistakes -- there has been waste and inefficiency.

"But good economics is not always good politics," he said.

Backman said that what the Malaysian government, under the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad, has done is to build a nation from the various disparate ethnic groups and cultures that were given to it by history.

It has been a spectacular achievement in a relatively short period of time and it is an achievement insufficiently recognised outside Malaysia, he said.

Malaysia is an astonishing success story when it comes to forging a harmonious and civil multi-ethnic society, Backman added. -- BERNAMA

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