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Proposed Asia Monetary Fund to be discussed at inaugural East Asia

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KUALA LUMPUR, Sun. - It has been more than seven years since the Asian Monetary Fund (AMF) was proposed to help countries affected by the Asian financial crisis, but so far its progress has yet to be really seen.

As a follow-up to this proposal, the AMF will be deliberated at the three-day inaugural East Asia Congress to be held here from tomorrow.

Former Japanese Vice-Minister of Finance Professor Dr Eisuke Sakakibara, known as "Mr Yen", will present his review on the case of the proposed AMF at the congress.

The AMF, mooted by Japan during the 1997/98 financial crisis, was aimed at complementing the Washington-based International Monetary Fund (IMF) to assist affected Asian countries.

However, the IMF was not favourable to the idea and Japan retracted the proposal. Malaysia was disappointed with this as expressed by Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi during his visit to Japan last month.

"During the financial crisis, we (Malaysia) supported the proposal to establish the AMF. But the IMF made noise and you retracted your proposal. We are disappointed."

Despite this, there have been attempts to realise the AMF, the latest being the launch of the Asian Bond Fund (ABF) in Bangkok in June.

Thai Prime Minister Thaksin Shinawatra launched a US\$1 billion (RM3.8 billion) ABF backed by 11 countries, which will focus on investing in the regional government bonds.

Countries participating in the ABF are Thailand, Indonesia, Malaysia, Singapore, Philippines, China, Hong Kong, South Korea, Japan, Australia and New Zealand. Observers considered the ABF as a signal towards setting up of the AMF.

The proposed AMF is one of the topics of common interest within Asia to be discussed at the East Asia Congress organised by the Institute of Strategic and International Studies (ISIS).

Other topics included trade arrangements, bond market development and education, health and tourism co-operation and management of labour migration.

Prime Minister Datuk Seri Dr Mahathir Mohamad will deliver a keynote address and officially open the congress, which will be telecast live over RTM. According to ISIS, the congress is a fitting tribute to the courageous efforts of Dr Mahathir to build an East Asian community.

Some 1,400 participants from 13 East Asian countries are expected to attend the congress at the Putra World Trade Centre.

Besides Eisuke, participants will be able to listen to a special address on Japan's contribution to building an East Asian community by Special Advisor to the Cabinet of Japan Professor Kuroda Haruhiko.

Other prominent guests invited to the congress include former South Korea Deputy Prime Minister Professor Han Seung-Soo, Singapore Development Bank managing director Dr Fong Cheng Hong, South Korea Institute of International Economic Policy director Dr Cho Jongwha, Asean Tourism Association secretary-general Tunku Datuk Seri Iskandar Abdullah, and Professor Kenichi Ito, president and chief executive officer of the Japan Forum on International Relations.

Regional media representatives have also been invited to sit in a panel discussion on the role of the media in contributing to the East Asian

community.