

Malaysia goes up in ranking

We're seen to be more corrupt than last year

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PETALING JAYA: Malaysia's economy is perceived by foreign businessmen to be more corrupt this year compared to last year, according to an annual survey carried out by Hong Kong-based Political and Economic Risk Consultancy (PERC).

The survey results that were released yesterday polled 1,476 expatriate business executives in 13 countries and territories across the region in January and February.

In a grading system with zero as the best possible score and 10 as the worst, Malaysia was ranked seventh with a score of 6.25.

When contacted in Hong Kong, PERC managing director Robert Broadfoot said this was a slight decrease from 2006 when Malaysia scored 6.13 although it was still better than the 2005 score of 6.80.

"This corruption perception index is something we've done for over 20 years now and although perception and reality are different things, when it comes to corruption, it becomes very important," he said.

"Companies usually base their investment decisions on perception, not reality. If companies perceive the situation in a particular country to be difficult, then that is likely to work against their decision to invest," he said.

Broadfoot added that those

polled included managers of multi-national companies and banks.

The most corrupt economy according to the survey is Philippines with a score of 9.40, followed by Thailand and Indonesia, both with scores of 8.03.

Malaysia's score has Transparency International Malaysia (TI-M) president Tan Sri Ramon Navaratnam worried although he contends that perception surveys are not perfect.

"However, they are the best indication of people's thinking and assessment of the state of corruption in any country," he said.

"I would not dismiss it easily as mere perception since consistent perceptions reflect reality," he added.

Navaratnam said he found perception surveys like these difficult to understand especially if Malaysia was rated as bad as China.

"This makes it all the more important why Malaysia must have its own corruption index designed by Malaysians. Then we could do a year-on-year comparison."

Navaratnam hoped the Government would give greater concern to the TI-M perception survey index, which TI-M hopes to improve on in consultation with all authorities and non-governmental organisations.

He said persistent reports of the poor perception on corruption undermined the feel-good factor Malaysians now enjoyed.