



## When Foreign Investors Don't Owe Us a Living

Bureaucratic inefficiencies continue to put off investors to this country. Sadly, nothing seems to have been done to counter this.

RECENTLY, A JAPANESE BUSINESSMAN POSED A VERY BASIC QUESTION TO ME. 'WHAT DOES MALAYSIA today offer Japanese investors more compared to other countries?'

The point he was really making is this - Japanese investors today no longer look at Malaysia as an attractive investment haven compared to, say, 10 or 15 years ago.

It's not only the Japanese. It is what every other potential foreign investor from around the world is asking. Why should I invest my money in Malaysia? Why indeed?

It cannot be denied that China and more recently, India, are sucking up foreign investments like never before. Their costs are low and they have huge domestic markets. Malaysia is no longer considered a low-cost producer.

Manufacturing has and will continue to play an important role in driving the economy. We cannot always be dependent on oil and tourism to bring in revenue.

So, we would do well to re-examine our policies, incentives and approval processes vis-à-vis our competitors. And we are not talking about China or India alone. We are talking about other Asean and Asian countries too.

International Trade and Industry Minister Datuk Seri Rafidah Aziz and her team have a lot to worry about. It's no more about just going on investment and trade missions. It's about fine-tuning our investment packages and laying out the red carpet.

If other pragmatic countries are revising and fine-tuning their policies to suit a changing environment, why can't we? We must be prepared to dismantle archaic rules and regulations that drive away not only foreign investors but also local investors. Miti should know what these are.

I am not saying that Miti has not been doing anything to revise or revamp our incentives. It has. But how do we stack up against other countries? Why are foreign investors packing up to leave?

Case in point: How easy is it for foreigners to acquire land when they invest here? What about visas for their staff? Will they have to pay bribes? Is it easy for their spouses or families to obtain working visas when they invest in this country?

Why is it we welcome foreign senior citizens with around half-

a-million ringgit to stay and make this country their second home when family members of investors who invest millions of ringgit have difficulty staying here?

Do we have our priorities right? Look at our brain-gain programme. Most of those who took up the government's offer to return home have since left. What went wrong?

Has a post mortem been conducted to see how the programme could have been made more attractive? How has it been successful in other countries? Worse, not only has the programme failed, we continue to lose talented Malaysians to other countries.

Our so-called one-stop agencies that are supposed to expedite approvals should also clean up their act. Recently, a special Cabinet Committee was set up to speed up the approval of high-impact projects for foreign investors.

But to be sure, this is not the first of its kind, given our love for such things. Neither will it be the last. The Malaysian Industrial Development Authority (Mida) had years ago become a one-stop centre to process foreign investment applications to speed up approvals.

What is more important is the speed at which the approvals are given. You can have 10 civil servants sitting in the same room but if they don't work with a single-minded purpose, nothing will get done.

How soon we tend to forget the embarrassment our Deputy Prime Minister encountered abroad earlier this year when Infosys boss Narayana Murthy revealed that his company would have invested more than RM1 billion in Malaysia if not for bureaucratic delays. Have we identified and reprimanded the culprits?

So, as our Cabinet members relentlessly circle the globe trying to woo foreign investors, errant civil servants continue to frustrate and turn away billions in potential investments.

Indifferent bureaucrats and even politicians must realise that investors don't owe them a living. They don't have to grease their palms or beg or even ask for incentives to invest their hard-earned money in Malaysia.

They have numerous choices today. It's as simple as that. 