

MALAYSIA: THE WAY FORWARD

WORKING PAPER
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Sumbangan

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Introduction

The purpose of this paper is to present before you some thoughts on the future course of our nation and how we should go about to attain our objective of developing Malaysia into an industrialised country. Also outlined are some measures that should be in place in the shorter term so that the foundations can be laid for the long journey towards that ultimate objective.

2. Hopefully the Malaysian who is born today and in the years to come will be last generation of our citizens who will be living in a country that is called 'developing'. The ultimate objective that we should aim for is Malaysia that is a fully developed country by the year 2020.

3. What, you might rightly ask, is 'a fully developed country'? Do we want to be like any particular country of the present 19 countries that are generally regarded as 'developed countries'? Do we want to be like the United Kingdom, like Canada, like Holland, like Sweden, like Finland, like Japan? To be sure, each of the 19, out of a world community of more than 160 states, has its strengths. But each also has its fair share of weaknesses. Without being a duplicate of any of them we can still be developed. We should be a developed country in our own mould.

4. Malaysia should not be developed only in the economic sense. It must be a nation that is fully developed along all the dimensions: economically, politically, socially, spiritually, psychologically and culturally. We must be fully developed in terms of national unity and social cohesion, in terms of our economy, in terms of social justice, political stability, system of government, quality of life, social and spiritual values, national pride and confidence.

Malaysia As A Fully Developed Country – One Definition

5. By the year 2020, Malaysia can be a united nation, with a confident Malaysian society, infused by strong moral and ethical values, living in a society that is democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous, and in full possession of an economy that is competitive, dynamic, robust and resilient.

6. There can be no fully developed Malaysia until we have finally overcome the nine central strategic challenges that have confronted us from the moment of our birth as an independent nation.

7. The first of these is the challenge of establishing a united Malaysian nation with a sense of common and shared destiny. This must be a nation at peace with itself, territorially and ethnically integrated, living in harmony and full and fair partnership, made up of one 'Bangsa Malaysia' with political loyalty and dedication to the nation.

8. The second is the challenge of creating a psychologically liberated, secure, and developed Malaysian Society with faith and confidence in itself, justifiably proud of what it is, of what it has accomplished, robust enough to face all manner of adversity. This Malaysian Society must be distinguished by the pursuit of excellence, fully aware of all its potentials, psychologically subservient to none, and respected by the peoples of other nations.
9. The third challenge we have always faced is that of fostering and developing a mature democratic society, practising a form of mature consensual, community-oriented Malaysian democracy that can be a model for many developing countries.
10. The fourth is the challenge of establishing a fully moral and ethical society, whose citizens are strong in religious and spiritual values and imbued with the highest of ethical standards.
11. The fifth challenge that we have always faced is the challenge of establishing a matured liberal and tolerant society in which Malaysians of all colours and creeds are free to practise and profess their customs, cultures and religious beliefs and yet feeling that they belong to one nation.
12. The sixth is the challenge of establishing a scientific and progressive society, a society that is innovative and forward-looking, one that is not only a consumer of technology but also a contributor to the scientific and technological civilisation of the future.
13. The seventh challenge is the challenge of establishing a fully caring society and a caring culture, a social system in which society will come before self, in which the welfare of the people will revolve not around the state or the individual but around a strong and resilient family system.
14. The eighth is the challenge of ensuring an economically just society. This is a society in which there is a fair and equitable distribution of the wealth of the nation, in which there is full partnership in economic progress. Such a society cannot be in place so long as there is the identification of race with economic function, and the identification of economic backwardness with race.
15. The ninth challenge is the challenge of establishing a prosperous society, with an economy that is fully competitive, dynamic, robust and resilient.
16. We have already come a long way towards the fulfilment of these objectives. The nine central objectives listed need not be our order of priorities over the next three decades. Most obviously, the priorities of any moment in time must meet the specific circumstances of that moment in time.

17. But it would be surprising if the first strategic challenge which I have mentioned – the establishment of a united Malaysian nation – is not likely to be the most fundamental, the most basic.
18. Since much of what I will say this morning will concentrate on economic development, let me stress yet again that the comprehensive development towards the developed society that we want – however each of us may wish to define it – cannot mean material and economic advancement only. Far from it. Economic development must not become the be-all and the end-all of our national endeavours.
19. Since this Council must concentrate on the issues of economic development and economic social justice, which for this nation must go hand in hand for the foreseeable future, let me expand on the perception of the central strategic challenges with regard to these two vital objectives.
20. At this point it is well to define in greater detail the objective of establishing an economically just society.
21. Of the two prongs of the NEP no one is against the eradication of absolute poverty -- regardless of race, and irrespective of geographical location. All Malaysians, whether they live in the rural or the urban areas, whether they are in the south, east or west, must be moved above the line of absolute poverty.
22. This nation must be able to provide enough food on the table so that not a solitary Malaysian is subjected to the travesty of gross under-nourishment. We must provide enough by way of essential shelter, access to health facilities, and all the basic essentials. A developed Malaysia must have a wide and vigorous middle class and must provide full opportunities for those in the bottom third to climb their way out of the pit of relative poverty.
23. The second prong, that of removing the identification of race with major economic function is also acceptable except that somehow it is thought possible to achieve this without any shuffling of position. If we want to build an equitable society then we must accept some affirmative actions. This will mean that in all the major and important sectors of employment, there should be a good mix of the ethnic groups that make up the Malaysian nation. By legitimate means we must ensure a fair balance with regard to the professions and all the major categories of employment. Certainly we must be as interested in quality and merit. But we must ensure the healthy development of a viable and robust Bumiputera commercial and industrial community.
24. A developed Malaysia should not have a society in which economic backwardness is identified with race. This does not imply individual income equality, a situation in which all Malaysians will have the same income. This is an impossibility because by sheer dint of our own individual effort, our own individual upbringing and our individual preferences, we will all have different economic worth, and will be

financially rewarded differently. An equality of individual income as propounded by socialists and communists is not only not possible, it is not desirable and is a formula for disaster.

25. But I do believe that the narrowing of the ethnic income gap, through the legitimate provision of opportunities, through a closer parity of social services and infrastructure, through the development of the appropriate economic cultures and through full human resource development, is both necessary and desirable. We must aspire by the year 2020 to reach a stage where no-one can say that a particular ethnic group is inherently economically backward and another is economically inherently advanced. Such a situation is what we must work for – efficiently, effectively, with fairness and with dedication.

26. “A full partnership in economic progress” cannot mean full partnership in poverty. It must mean a fair balance with regard to the participation and contribution of all our ethnic groups – including the Bumiputeras of Sabah and Sarawak – in the high-growth, modern sectors of our economy. It must mean a fair distribution with regard to the control, management and ownership of the modern economy.

27. In order to achieve this economically just society, we must escalate dramatically our programmes for national human resource development. There is a need to ensure the creation of an economically resilient and fully ecompetitive Bumiputera community so as to be at par with the Non-Bumiputera community. There is need for a mental revolution and a cultural transformation. Much of the work of pulling ourselves up by our boot-straps must be done ourselves. In working for the correction of the economic imbalances, there has to be the fullest emphasis on making the needed advances at speed and with the most productive results – at the lowest possible economic and societal cost.

28. With regard to the establishment of a prosperous society, we can set many aspirational goals. I believe that we should set the realistic (as opposed to aspirational) target of almost doubling our real gross domestic product every ten years between 1990 and 2020 AD. If we do this, our GDP should be about eight times larger by the year 2020 than it was in 1990. Our GDP in 1990 was 115 billion Ringgit. Our GDP in 2020 should therefore be about 920 billion Ringgit in real (1990 Ringgit) terms.

29. This rapid growth will require that we grow by an average of about 7 per cent (in real terms) annually over the next 30 years. Admittedly this is an optimistic projection but we should set our sights high if we are to motivate ourselves into striving hard.

30. We must guard against ‘growth fixation’, the danger of pushing for growth figures oblivious to the needed commitment to ensure stability, to keep inflation low, to guarantee sustainability, to develop our quality of life and standard of living, and the achievement of our other social objectives. It will be a difficult task, with many peaks and low points. But I believe that this can be done.