

The Mahathir vision

SINCE the late 1970's and early 1980's the world has been experiencing sluggish economic growth and escalating costs. Malaysia, though luckier than others, has not been spared. We have managed reasonably well to sustain growth, restrain price increase and curb inflation. Thanks to our rich natural resources and strong economic base, we have been able to register an average annual growth rate of 8 per cent. But with the downturn in the world economy and consequently decreased demand for our produce, this growth will be hard to maintain.

On the other hand at home, our workers want a better quality of life, employers want more profits and the Government wants to achieve the socio-economic objectives of the Fourth Malaysia Plan. The expectations, then, are many and the resources to meet them are limited.

In my New Year message to the nation, I ventured to spell out some of the hopes and ambitions for the future development of our country. I envisage a land where there is no absolute poverty — where everybody is reasonably well-fed, well-clothed and enjoy long healthy lives — a land where all our children receive a good education to enable them to take over from their parents when the time comes. Above all, I envisage a land that will set an example and earn the respect of all

some of the natural disasters that afflict some of our close neighbours; and our people, whatever their race, attach great importance to high spiritual and religious values. We, therefore, have very solid grounds for optimism for the future.

I will be the first to acknowledge the assistance that we have received from other countries. We have received material help, financial help, technical assistance and high calibre expertise.

these occurrences results in a waste of materials or energy.

Our offices in both government and business sectors must, of necessity, consume an enormous volume of paper and other types of stationery. We say that we cannot avoid it. But can we honestly say there is no waste? I think not. With care much of the paper we use can be done without. Executives must learn not to insist on being extended copies of documents they will never look at. The savings through reduction of paper use will be considerable.

In the agricultural sector there is again considerable waste brought about by careless handling of crops and deterioration of crops through late and careless harvesting. Wastage of grains and other food items due to poor storage has resulted in the loss of millions of ringgit.

May I now move on to another matter — accident prevention. The appalling slaughter on our roads must be a cause of serious concern to everyone. During 1981, in Selangor alone over 22,700 road accidents occurred — an average of over 62 everyday of the year. These accidents took the lives of 364 people — one for each day of the year. In the first 45 days of 1982, 44 people were killed on the roads of Selangor. We are still keeping up the average! What a

spent, are destroyed in a matter of minutes just because someone, somewhere has been thoughtless — or careless — or has want only disobeyed the law or safety regulations.

Standstill

I wonder how many of you have sweated in frustration in the traffic jams in the Federal Highway during the rush hour? Have you noticed the hold-ups that result from the major construction work that is going on at various points along the highway? No sooner do you clear one bottleneck before you meet the next one. The effect is cumulative and what starts as a traffic crawl ends up as a complete traffic standstill. The end result is a large number of people arriving late at their places of work, frustrated, and in no condition to work efficiently.

To this we can add the waste of fuel and additional pollution resulting from vehicles running while stationary. I commend the speed with which these projects are being carried out, but would not better planning and phasing of each stage of the work result in a reduction in the disruption at present being caused?

We had the recent case in Penang of the high-rise building which had to be demolished before it was completed — because it began to tilt and

ments and the actual time required for the transactions carefully worked out and adhered to. Such appointments, of course, should be available to everyone so as to avoid accusations of discrimination. Those who drop in at random should be dealt with separately.

I have not come here today solely as a carping critic intent on finding fault. On the contrary I have already paid my tribute to the achievements of the past. That tribute was sincere. But we must not allow our pride in the past to blind us to the problems that face us in the future. I believe that we should recognise and face our shortcomings before we embark on the stupendous task that lies ahead of us.

Utilisation

So far I have spoken in terms of waste — a negative thing. I prefer to think positively and to do so I will use another word — productivity. Productivity is something positive and implies the utilisation of our resources efficiently.

We must substantially improve our productivity on a national scale.

When we talk about productivity we are basically referring to the following issues:

● ARE our resources, many of which are not renewable, being used efficiently and with prudence?

the other countries in the world.

It is not just a dream. It is entirely possible. But our task will be a formidable one. To fulfil this dream we will have to further develop our infrastructure. We will have to penetrate the more remote areas of the country with roads and transport facilities. We will need to expand our power generating capacity and extend distribution networks. We will need new water supply systems. We will need to establish new towns and communities and equip them with houses, hospitals, schools and other social amenities. We will need more technicians, engineers, medical personnel, teachers and community leaders. The list is endless.

Values

Despite all the difficulties, I believe that it is within our power to come very close to the fulfilment of our hopes. I base my faith on the progress that we have made in the few short years since we emerged as an independent nation in full control of our own destiny. Under the guidance of my illustrious predecessors we have established a stable democratic government, a sound economy and the basis of an efficient national infra-structure. We are well endowed with natural resources, we are spared the horrors of

Resources

But we must face the cold hard fact that many of our friends who helped us in the past will probably be in no position to do so in the future. They have their own problems and their priorities have changed. We must learn that we must face the future where we must stand on our own feet without the benefit of help other sources.

The first lesson that we must learn is that we must apply our resources — human and material — to the best possible advantage. We cannot afford to waste any of them. At the moment we see far too much inexcusable waste around us — waste of materials, waste of effort, waste of time, waste of money, waste of energy.

We do not have to look very far for the evidence. It occurs in our offices, our factories and even in our homes. Lights are left burning in unoccupied rooms in broad daylight. Air-conditioning plant cooling the air that nobody is using. Water taps are left running after use or permanently dripping because the washers are defective. In our factories machines are often left running long after the operator has finished working with them. Frequently leakages of steam or other gases or vapour take place due to bad maintenance. Each of

waste of good manpower! What a waste of good vehicles, of time, of the man-hours expended by the police and other personnel. The cost goes up for everyone as insurers demand higher premium.

Compensation

In our factories and industrial installations the situation is no better. In 1981, a total of 65,898 accidents were reported. In these accidents 575 people lost their lives. It is estimated that a total of 250,556 man-days were lost — the equivalent of 1,500 working for one whole year. The total compensation paid amounted to \$16,000,000. All these are totally unnecessary for the purpose of production.

Road accidents are mainly caused by some failing to obey the laws relating to safe driving or by failure to maintain vehicles in a roadworthy condition. Industrial accidents are caused by management's failure to take the precautions by law or by workers' refusal to obey instructions related to safety.

What about the shocking waste brought about by fires. Hardly a day passes without reports of serious outbreaks of fire somewhere in the country. Houses, business premises, factories and equipment that have taken years to build and on which many millions of dollars have been

became dangerous. What a shocking waste of materials, labour and money.

Shortcomings

Failures in projects of this sort are not confined to their construction. Our administrative and technical services are often equally at fault. There are a number of cases where completed buildings have remained unoccupied for months — and even years — because the required "Certificate of Fitness" has not or could not be issued. While the bureaucrats may be at fault, the builders or developers are not without blame. Yet with a little imagination matters can be simplified and developers can learn to comply with them.

You will, I am sure, have noticed the large number of people who daily fill up the premises of our large institutions — the banks cashing cheques or depositing money; RIMV offices renewing driving licences or paying roads tax; income tax offices and other departments and institutions which they are compelled to attend on occasions. Who are these people? Many of them are people who should rightly be in their offices or factories carrying out their daily work. How much less wasteful it would be if a system is used whereby such people are given appoint-

● HOW do Malaysians work? Are we getting the most out of their work?

● WHAT work attitudes has the average Malaysian?

● HOW do the managers manage the company and the workforce?

● HAS technological development been efficiently utilised for productivity?

● HAVE we made the best use of our income, both Government and non-government, for creating a better life for everyone?

● IN the attempt to achieve a better quality of life, what cost do we pay?

As many of you will know our balance of payments situation deteriorated somewhat during 1981. From a position where our exports exceeded our imports by a substantial margin, we now have a situation where our imports exceed our exports and in terms of balance of payment we are "in the red". We are spending more of our foreign currency than we earn. This is nothing to worry about at the moment but will become very serious if we do not start to take action now to prevent further deterioration.

You will also be aware that we are borrowing fairly large sums of money from foreign sources. We are doing this in order to develop our material infra-structure which will form the nec-

essary foundation on which we will build our future development. Here again there is nothing

wrong with this provided we remain well within our capacity to repay and to retain our rating in the world of finance.

Faced with these problems, we can resort to only one simple answer. Juggling with the currency, interest rates and money supplies will lead us nowhere. The only answer is greater productivity.

Services

Our national wealth can be expressed, not just in terms of money, but more meaningfully in terms of the quantity of goods, and services that we produce. This means firstly we must produce more goods and services to meet the requirements of the domestic market while reducing the amount of money on buying these products from abroad, and secondly we must produce more goods and services for sale abroad. In simple words we must sell more and buy less from abroad.

Although we have a sizeable manufacturing industry, but if we analyse the situation, we will find that to a large extent we are no more

than sub-contractors. Either we manufacture components or small sub-assemblies for export and incorporation into completed products or we import components or sub-assemblies and merely assemble them here. We only have to look at such industries as motor vehicles and domestic appliances to realise the vast number of items that we import. To this extent we are in a strait jacket — we are at the mercy of foreign manufacturers.

We are faced with a number of serious problems. I am certain that we have the talent necessary to tackle the problem but I am equally certain we do not yet have the correct attitude to do so.

To export more we have to think of the requirements of the export market. Overseas customers insist on a number of things. First of all, the quality of our products must be standardised and as high as possible. Very stringent standards are set by these customers and anything that does not meet these standards will be rejected out of hand. Of course this is also a part

of their non-tariff barrier.

Secondly, we must be able to deliver the goods on time. Thirdly — and most important of all — our prices must be competitive. This may prove to be the most difficult requirement of all. It will certainly not be met unless we do something quickly about the wasteful practices that currently exist.

What we need is a drastic change in attitude on the part of everybody concerned. Our designers and technicians must pay much greater attention to the quality of their design work. Their products must, without fail, give the performance for which our customers have paid.

Our managers and administrators must be highly motivated and must provide the leadership and direction for their enterprises. They must set a much better example to the people who work under them.

Pride

The workers must take a much greater pride in the work that they do and develop a much greater

sense of responsibility to themselves, their employers and to the nation.

Everybody has an important part to play and we should all realise this. We cannot all be bosses or managers directing great enterprises. Leaders, of course, are an essential part of the scheme of things. But the more humble tasks are just as important and just as essential. No one is indispensable because everyone is indispensable. This may sound odd but if you reflect a little you will realise the truth of this. Now the instant I say this there will be people from M.D.'s to janitors who will say that if they are so indispensable how come they are not compensated the way they think they should. Well, if compensation is to be increased in proportion to increased productivity then there is really no increase in productivity, that is in terms of returns on cost. Productivity means increased output without an equal increase in monetary input. Input costs must be lower than the value of output before productivity can be considered to have increased. Mere increase in production does not constitute increased productivity.

So the message is "Take pride in your work and do not underestimate its importance."