

'MANAGEMENT EFFICIENCY VITAL'

Key to Bumi success: PM

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THE mere extension of the New Economic Policy (NEP) beyond 1990 will not benefit the Bumiputeras. To ensure success, management efficiency is crucial and Bumiputera competency in this area must be improved.

In efforts to bring Bumiputeras on par in business with non-Bumiputeras, their expertise and experience must be upgraded through various means, including through "apprenticeship" to those with the management skills.

Umno president Datuk Seri Dr Mahathir Mohamad said in this respect other groups, including foreigners, are required to play an important role, as the sooner they succeed in helping Bumiputeras gain the necessary skills, the sooner will the balance between Bumiputeras and the other races be achieved.

"The objectives of the NEP will never be satisfactorily met for as long as the Bumiputeras are not given assistance in management expertise to enable them to compete with others," he said.

In his presidential address to more than 5,000 delegates and observers to the Umno General Assembly in Kuala Lumpur yesterday, the Prime Minister added that Bumiputeras on their part cannot just wait around for this to happen but have to work to rectify their mistakes and weaknesses.

He disclosed that the Government has identified shortcomings and weaknesses of the NEP. The provision of op-

portunities, facilities, capital and manpower by the Government is still insufficient for the success of businesses and industries owned by Bumiputeras, whether directly or through Bumiputera trust agencies.

In a one hour 40 minute speech, which was interrupted several times by applause from the audience, he said the Government encourages joint ventures between Bumiputeras and non-Bumiputeras provided the former get to play a meaningful management role in the partnership.

Although there are wholly-owned

MORE STORIES — Page 2

Bumiputera companies, their number is small and they are probably unable by themselves to secure the 30 per cent Bumiputera share in the corporate sector as laid down in the NEP.

The Government, he added, will not award projects to wholly-owned Bumiputera companies which do not have the capacity to undertake the projects. This is "traitorous to the aims of assisting the Bumiputera community".

The Government will study their capabilities before awarding them any contracts. "We do not intend to make Malay businessmen and entrepreneurs bankrupt so that they will become de-

pendent on us. We want to make them competent, self-reliant and able to compete successfully with others."

He added that Malaysia aims to achieve economic status similar to those of the developed nations. "This is not impossible to achieve. Many developed nations had at one time started as backward agricultural societies. They have progressed today because they embarked on industrialisation wholeheartedly," he added.

While some believe that this is too ambitious a target, the Prime Minister said this is the view of the "defeatist". "Not only are we in a position to achieve the target but we do not have a choice."

Although the agriculture sector is an important component of the economy, it may not have the capacity to generate jobs for the thousands of school-leavers and graduates annually.

The Prime Minister drove home the point that there is nothing Malaysia will not be able to manufacture. Success or failure will depend on the cost and quality.

For this, an efficient management cognizant of the importance of financial and cost control, utilisation of machinery and application of the best production technologies is vital.

It is not difficult to market high quality goods or services at high and more profitable prices. Offering cheap

Cont'd Back Page, Col. 2

Key to success

FROM PAGE ONE

prices for low quality products will not necessarily guarantee good sales in the marketplace. On the converse, it can be detrimental to Malaysia's economic development.

The Prime Minister also stressed the need to have a sense of "pride" in whatever one does and to work hard to achieve the status of a developed nation. For this, Malaysians must enhance their expertise in all fields to be on par with or better than the developed societies, he said.

In his address, the Prime Minister also traced Umno's history since its founding on May 11 1946, the Umno spirit, struggle,

constitution and membership.

He also spoke at length on democracy, the media and the rule of law; and touched on possible threats to continued national development and on the continuing efforts aimed at eradicating poverty and improving the standard of living of the people.

He also touched on modern technological developments and their relevance to Malaysia's industrialisation programmes and reminded all Malaysians to learn from history the pitfalls which brought about the downfall of earlier civilisations and societies.