

The NEP beyond 1990

THE Government has identified the weaknesses of the New Economic Policy and will rectify them when it reviews the NEP in 1990, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said the target for bumiputras had not been wholly met, and added:

"Offers of opportunities, facilities, capital and manpower by the Government were not enough to ensure the success of the business and enterprises provided to bumiputras, whether directly or through bumiputra-interest bodies.

"Management efficiency is the most important thing. And this was difficult to find among bumiputras."

Dr Mahathir said merely extending the NEP would not ensure that bumiputras would fully benefit from it.

"To succeed in providing a balance between the bumiputras and the non-bumiputras, the knowledge and experience of the bumiputras must be stepped up through various means," he said.

The Prime Minister added that one way for a bumiputra to achieve this was for him to become an apprentice to a person with management skills.

"Here, other communities, whether Malaysian citizens or others, would play a key role.

"The other communities must understand that the

faster they are able to help the bumiputras, the faster we will achieve the balance between the bumiputras and non-bumiputras.

"For as long as the bumiputras are not given help in management until they become competitive, the NEP will not achieve satisfactory results," he said.

Dr Mahathir said the bumiputras, however, could not afford to only wait for such efforts to be made. "They must correct their mistakes and personal weaknesses."

The Prime Minister said the Government would give incentives to joint ventures between non-bumiputras and bumiputras if the bumiputras had a meaningful role in the management.

"We will not turn our backs on 100 per cent bumiputra companies that show capability. But we should be aware that their number is small and they are probably not capable, on their own, to acquire the 30 per cent company shares reserved for bumiputras.

"To give a particular project to a company merely because it is 100 per cent bumiputra-owned, but has no capability to manage the project, is an insult to our objective of helping bumiputras," he added.

Dr Mahathir said the number of bumiputras who previously had no financial problems but were now being "attacked" by banks and becoming bankrupt was increasing.

"They tried to carry out more projects than they could handle, had little management skills and could not cope with the global economic recession.

"The Government will study in detail their capabilities before awarding any project to bumiputras," he said.

Dr Mahathir said the Government was aware that its critics would turn matters like these into political issues.

He said that many people who supported a certain group were in financial difficulties because they had misused their loans and now could not make repayments. "We will not be frightened by this group," he added.

"We have no intention of turning Malay businessmen and entrepreneurs into bankrupts so that they have to depend on us.

"We wish to see Malay business leaders and entrepreneurs who are skilled, self-reliant and capable of competing with anyone else successfully," he said.

Dr Mahathir said the Government's aim was to set a strong foundation for Malaysia to develop and be at par with the advanced nations.

"This aim is not difficult to achieve. Many newly industrialised countries (NICs) were previously backward agricultural countries.

"However, because they went into industrialisation in an aggressive manner, today they are developed," he added.

Dr Mahathir said those who thought that the Government was aiming too high were adopting a defeatist attitude borne from lack of self-confidence.

"Actually, not only are we capable, we have no choice.

"Although agriculture is an important economic activity, it can never create job opportunities for the thousands who leave school and the institutions of higher learning each year.

"Furthermore, the use of modern machinery and technology will reduce the use of farm workers," he said.

Dr Mahathir said Malaysia's desire to achieve the status of an NIC was not just to increase the people's income so that they could live in luxury, enjoy their leisure and travel.

"Our wish is to see the nation and the people respected, admired and accepted on equal terms by the advanced nations.

"Our wish is not to be dependent on anyone... not to be led by anyone. In short, so that we are free in every thing."

To achieve this, the people must work to increase their per capita to the same level as the developed countries, Dr Mahathir said.

"We need to increase our knowledge in every field until we are at par with or even surpass the advanced nations," he added.