

NOT JUST WEALTH

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PM: We need highly-skilled bumi managers too

KUALA LUMPUR, Wed. — Datuk Seri Dr Mahathir Mohamad said today that the post-1990 national economic policy will be a well-thought-out plan to achieve economic growth and equity.

The Prime Minister said there would not be any radical change from the New Economic Policy (NEP) "that will destroy all the Government had carefully planned and achieved."

"We are not about to become suddenly irresponsible and indulge in some hare-brain scheme," he said at a Harvard Club dinner.

"With the years we have become wiser. We modified our approach and we altered or stopped the more damaging operations. Faced with a recession, we responded with policies which helped recovery without abandoning the NEP."

Dr Mahathir said the idea behind

the NEP was not so much for 30 per cent of the country's wealth to go to the bumiputras but for 30 per cent of Malaysian managers and entrepreneurs to be highly-skilled and ethical bumiputras.

"With this percentage, bumiputras can acquire the wealth and retain it with minimal help from the Government," he said, adding that the sooner these goals were achieved, "the sooner will the need for special treatment cease."

He said the possession of wealth without the ability to manage it would not make a permanent or stable solution to the problem of racial inequity.

"If any kind of social engineering policy is to be devised, then that new policy must lay strong emphasis on ethical and management training," he said.

And he urged non-bumiputras and foreign investors to help bumiputras attain these managerial skills.

"Non-bumiputras should not use their bumiputra partners as fronts,

useful only in interacting with government officials, getting licence and permits," he said.

"Bumiputras for their part must learn that there is no easy way of getting rich quick."

Dr Mahathir said the Government was not bound to accept all the recommendations of the National Economic Consultative Council since it could not reach a consensus following the withdrawal of several groups.

"We are back to square one where the Government has to formulate and devise the economic policy almost by itself," he added.

He gave an assurance that the Government was not going to destroy the economy because of any ideological commitment.

"We do have some experience and ideas about how to reduce racial disparities and eradicate poverty without upsetting economic growth," he said.

Dr Mahathir said that when the NEP was drafted, the goals were

clear — poverty eradication and the restructuring of society to remove identification of race with functions.

"But we had no experience and no models to fall back on in order to achieve these objectives."

He said the Government, which believed in a free market system while rejecting socialism and communism, had to accelerate the growth of one segment of the society without causing a sense of deprivation of the other segments.

"It was a tail order for a government and a bureaucracy which was, until only 12 years ago, a purely administrative set-up," he said.

He said that under the circumstances which prevailed, Malaysia should really stagnate or regress because of the NEP, the way the socialist and Communist countries regressed.

"But did Malaysia regress? The answer is a resounding no," he said, adding that economic growth actually accelerated with the NEP.