

Bumis NST 29 JUL 1992 with no patience will fail, says PM

By Manan Osman

KUALA LUMPUR, Tues. — Bumiputeras will continue to fail to secure their share of the nation's economy as long as they maintain their get-rich-quick attitude, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

Those who became rich within a short period of time would not be able to sustain their wealth for a long period because they did not have the capacity to manage their wealth, Dr Mahathir said.

"Their wealth will disappear even before a generation passes," he said when launching the Perbadanan Usahawan Nasional Berhad (PUNB) at Putra World Trade Centre this morning. Also present were Finance Minister Datuk Seri Anwar Ibrahim and PUNB chairman Tun Ismail Mohamed Ali.

Dr Mahathir, in advising Bumiputera businessmen on the importance of improving their patience if they wished to succeed in business, added that business had to grow slowly.

Profits were not only for spending but for furthering investment as well, besides saving some for rainy days.

"Those who want to get rich quick will suffer a cruel blow if they go into business," he said. Without patience and confidence in the future, venturing into large-scale business would be impossible, he added.

"Because of this lack of confidence and patience, Bumiputeras often sell their licences, shares and contracts for immediate gain.

"Those who buy them and are willing to wait will derive huge profits," Dr Mahathir said.

He added that poor management was another factor which had resulted in the failure of many Bumiputeras in business.

He said management skills could help reduce the adverse effects of business competition and, in some cases, could help overcome them.

Dr Mahathir said no one could deny that the New Economic Policy (NEP) had helped to give birth to some successful Bumiputera businessmen, but their achievement in trade and industry was still low.

When compared with the vast sums of money spent to create more Bumiputera entrepreneurs, the end result was not satisfactory.

The base for Bumiputeras entering the business sector was also small and restricted and they often failed when competing in the open

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Dr M: Bumis failed NST 29 JUL 1992 even after getting aid

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market. They failed even when given protection and assistance, he said.

In the beginning, the general opinion on why Bumiputeras failed was because they had no capital. But after they were given capital and special opportunities, they still failed.

Dr Mahathir said it was also felt that anyone who had an interest in business could succeed. The fact that they needed specialised knowledge was not acknowledged as a criteria for success.

When the NEP was launched, it was these views that led a lot of people to venture into business without any preparation. Some succeeded but many others failed and suffered more problems than before. Many not only became debtors but

were declared bankrupts as well, he said.

The biggest failure was that society could not accept Bumiputeras as traders and entrepreneurs. The public, and even Bumiputeras, shunned them if they wanted to award any contracts because the Bumiputeras' capability was suspect.

He said that actually, the capability of Bumiputeras in whatever fields was the same as non-Bumiputeras. Realising that capital and opportunities alone were not enough to help them overcome their problems, what was needed was to identify the reasons for the weaknesses and failures.

One way of improving their ability was to stick to good values such as honesty and responsibility.

"If these are taken lightly, numerous problems will

crop up. But, on the other hand, those who are honest and responsible will encounter fewer difficulties to get credit, contracts and supplies," he said.

Dr Mahathir also said that efforts at creating a Bumiputera trade and industrial community would not achieve the desired results as long as they turned a blind eye to their weaknesses and failures.

On PUNB, Dr Mahathir said its setting up had once again proven the Government's seriousness and commitment in producing more Bumiputera entrepreneurs who had the capacity to succeed.

It was also in line with efforts to establish a Bumiputera trade and industrial community which had the sustaining power when facing stiff competition in the country's open market.