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Taking stock of vision 2020

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It is appropriate that we take stock and see how near we are to achieving our goals of Vision 2020.

For the last eight years, Malaysia has enjoyed vibrant economic growth which reached an all time high of 9.5 per cent in 1995. Even though the economy grew by only 8.2 per cent last year, this is still way above the seven per cent annual expansion needed for the growth goal of Vision 2020. That vision sees Malaysia aspiring to become an industrialised country within the next two decades. When that target is reached, there would be new challenges created caused by a dislocation and a shift in this nation's industrial base.

Vision 2020 has been the spur that is strengthening the Malaysian economy. There is rapid improvement in living standards as society becomes more affluent. Higher expectations result from this growing affluence but with it comes the problems associated with growth and success.

As we march on towards industrialisation, Malaysia's comparative advantage stemming from cheap resources will slowly erode; for a start, Malaysia is beginning to lose its advantage as a low labour cost location. As a result, in the world markets, Malaysia's products and services won't be as competitive as it used to be.

Industrialised Western countries have gone down similar paths. Hence, their experience and the way they handled the challenges associated with growth and eventual industrialisation should be an object lesson for us. All the signs are there. The Malaysian economy has at various points showed signs of overheating caused by almost full employment, bringing with it escalating labour costs.

In some areas there was mediocre productivity and the spectre of inflation continues to be a threat. But with prudent economic measures, the government has done its best to keep the situation in check.

A United States rating agency has, in its 1996 annual report, given Malaysia an A1 rating for the country's sound economic fundamentals and rapid growth over the past few years. Moody's sovereign risk analysts, which is one of the world's most respected rating agencies, also cited Vision 2020 as an initiative to transform the country into a First World nation.

It is pertinent to point out that Vision 2020 as espoused by Prime Minister Datuk Seri Dr Mahathir Mohamad brings with it a host of challenges for the social, economic and political development of the country. To recap, these comprise:

1. The first challenge is to establish a united Malaysian nation with a sense of common and shared destiny. The nation must be at peace with itself, territorially and ethnically integrated, living in harmony and full of fair partnership, made up of one Bangsa Malaysia with political loyalty and dedication to the nation.

2. The second, a challenge to create a psychologically liberated, secure and developed Malaysian society with faith and confidence in itself, justifiably proud of what it is, of what it has accomplished, robust enough to face all kinds of adversity.

This Malaysian society must be distinguished by the pursuit of excellence, fully aware of all its potential, psychologically subservient to none, and respected by the people of other nations.

3. The third challenge we have always faced is that of fostering and

developing a mature, democratic society, practising a form of mature consensual, community-oriented Malaysian democracy that can be a model for many developing countries.

4. The fourth is the challenge of establishing a fully moral and ethical society, whose citizens are strong in religious and spiritual values and imbued with the highest ethical standards.

5. The fifth challenge that we have always faced is the challenge of establishing a mature, liberal and tolerant society in which Malaysians of all colour and creed are free to practise and profess their customs, cultures and religious beliefs and yet feel that they belong to one nation.

6. The sixth is the challenge of establishing a scientific and progressive society, one that is innovative and forward-looking, and one that is not only a consumer of technology but also a contributor to the scientific and technological civilisation of the future.

7. The seventh challenge is to establish a fully caring society and a caring culture, a social system in which society comes before self, in which the welfare of the people will revolve not around the state of the individual but around a strong and resilient family system.

8. The eighth challenge is to ensure an economically just society. This is a society in which there is a fair and equitable distribution of the nation's wealth, in which there is full partnership in economic progress. Such a society cannot be in a place so long as there is identification of race with economic function, and identification of economic backwardness with race.

9. The ninth challenge is that of establishing a prosperous society, with an economy that is fully competitive, dynamic, robust and resilient. In taking stock, we must audit ourselves to see how far we have overcome these challenges. Measures must be taken wherever there is a shortfall. There may be a little over two decades left for us to reach our goals. It is appropriate therefore that we redouble our efforts to reach these noble goals.

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