

09/09/1999

Bumi entrepreneurs reap benefits of Government aid

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FOR all the merit that the Bumiputera entrepreneurial community deserves, the fact remains that they have long reaped the benefits of intensive Government assistance.

The assistance essentially dates back to a much forgotten economic congress held in 1965 when Singapore separated from Malaysia.

Grappling with the endemic economic backwardness of the Malay community which by and large did not even have a significant entrepreneurial community to vouch for, solutions were sorely needed.

Among them was to create an internal engine for Bumiputera economic growth, a 'Bumiputera Commercial and Industrial Community', which had to be built virtually from scratch.

The details were thrashed out in the first Bumiputera Economic Congress, organised by the Malay Chamber of Commerce and Umno.

The two notable institutions which arose from the meeting, Insitut Teknologi Mara and Bank Bumiputra, lay the foundations for the policies to follow.

In the heels of the newly built momentum, the New Economic Policy and the National Development Policy framed the quotas, direct and indirect forms of help like training, loans, and share allocations for the Bumiputera that have enabled its business community to grow by leaps and bounds.

Three subsequent Bumiputera economic congresses were held in 1968, 1980, and 1992 to fine tune the progress of Bumiputera economic development.

But the two major recessions in the mid-80s and 1997 have exposed one of the longstanding problems equated with the Bumiputera entrepreneur: that by and large, he is still dependent on Government help.

The realisation has not escaped Technology Resources Industries Bhd chairman and chief executive Tan Sri Tajudin Ramli, one of the most notable individual successes of these endeavours.

"We need to build a competitive Malay, a resilient Malay who is able to stand his ground."

But standing one's ground is becoming more difficult in today's increasingly competitive business climate.

With globalisation breaking down market barriers and bodies like the World Trade Organisation pushing for the eradication of protectionist barriers and subsidies, how can the Government assist the BCIC while easing them off to independence?

"Although we are taking stock of the achievements of Bumiputeras since the NEP, our focus is on the future, because we need to prepare the BCIC for the challenges of globalisation and it's knowledge based economies," said Minister of Entrepreneur Development Datuk Mustapa Mohamed.

Furthermore, the fast changing dimension of the way business is being conducted today may soon render Government assistance ineffective.

"In the economy of the future, a country will no longer be confined by size and borders, as seen by Malaysia, which is currently the 17th largest trading nation in the world," said Tajudin, who is also Malay Chamber of Commerce Malaysia president

"As long as the BCIC is prepared, the pro-competitive, anti-subsidy and trade barrier issues which the WTO will bring up will not constitute obstacles for us," he added.

What, then, are the preparations that need to be made?

"It involves issues of human resource development, and the development of the Bumiputera individual, which we will further refine," said Mustapa.

These preparations include the incorporation of Smart Partnerships, involvement in high technology and information technology, and even attitudinal changes.

Much has been said about paradigm shifts, but the growing significance is on the inculcation of cultural and religious values into the soul of the Bumiputera entrepreneur.

Among the observations made at the onset of the Third Bumiputera Economic Congress (KEB III) was that the mid-80s recession had unearthed some of the basic weaknesses of the BCIC, namely the negative image it earned by the misdeeds of some.

"They were associated with greedy and image-conscious businessmen who took loans from a bank to buy themselves a Mercedes Benz or a BMW first and think about business investments later," wrote the Business Times the day before the third congress began in 1992.

Although the phrase 'gentleman entrepreneur' might seem like an oxymoron, measures to inculcate these two values are much welcomed.

As such, religion and culture are two interlinked aspects of the Bumiputera entrepreneur which will be strengthened in the upcoming fourth round of the Bumiputera Economic Congress, explained Mustapa.

Would a dedicated training institute to drill cultural and religious values be set up?

Should even more institutions be built solely for the purpose of providing even more privileges to help the Bumiputera entrepreneur?

Asked what he hoped the upcoming KEB IV would achieve, Mustapa replied succinctly: "We feel that KEB IV shouldn't have too much rhetoric, too much focus on building yet more institutions.

"We want this congress to have meaningful substance."

The two-day Fourth Economic Congress, to be officiated by Prime Minister Datuk Seri Dr Mahathir Mohamad, begins tomorrow at the Putra World Trade Centre.

Over 60 resolutions will be discussed by its seven workshops, expected to be attended by 1,000 participants. Resolutions which KEB IV will adopt will also act as input for the National Economic Consultative Council II.

The NECC II is tasked, among others, to assist the Government devise the extension (or replacement) of the National Development Policy.

The 10-year Second Outline Perspective Plan, which forms the framework of implementation for the NDP, expires at the end of next year.