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Malaysia shines with its workable ideas

Hardev Kaur

THE proof of effective policies can best be ascertained by their impact on the lives of people. The policies must be drawn up and implemented so that they benefit people from all walks of lives and throughout the country. Malaysia in its 42 years since independence has developed and progressed in leaps and bounds on all fronts. Many countries that gained independence at the same time as Malaysia and others that were "more advanced" then are now at lower levels of development when compared with Malaysia today.

The Government adapts its policies in keeping with the changing environment, a fact acknowledged by the World Bank in one of its reports when it said Malaysia's economic success was due to it being "agile" where the policies are adapted and adopted to suit the prevailing economic conditions, both at home and abroad.

The Malaysian Government has not implemented "text book" policies and theories but devised policies and strategies best suited to local conditions. Even though there were criticisms of the New Economic Policy (NEP) from many quarters when it was first unveiled in 1970, today the policy is acknowledged as one of the best social engineering instruments. Many of the policies have been described as being "radical" and "unorthodox" but they have fostered peace and stability in addition to better and improved standards of living in all areas and among the various races.

All social and economic indicators point to an improvement of the standard of living and quality of life. It is easy to make promises but not always easy to live up to them or even fulfil the commitments made. However in Malaysia's case the improvements in the standard of living and the availability of amenities even in the rural areas have no comparison in developing countries and in some instances are comparable with the best in the West.

Per capita income has increased from US\$300 in 1957 to RM1,109 in 1970, RM3,734 in 1980 and to RM12,134 in 1999.

Despite the financial crisis the purchasing power parity, per capita income is estimated to increase by 4.4 per cent from US\$8,242 in 1998 to US\$8,604 in 1999 (US\$1 = RM3.80). This according to the Economic Report 1999-2000 reflects the improvement in employment opportunities and the better financial performance of the business sector following the economic recovery.

Indeed much of the infrastructure, including roads, ports and airports are comparable to the best including those in the developed world.

The population has access to the basic amenities such as water, electricity, health and education. They are also assured of security, stability and enjoy peace and harmony.

The peace and harmony which Malaysians take for granted is not the norm in many developing and even in many developed countries. Some foreigners were amazed and others even "bored" with the "peaceful" manner in which supporters of opposing candidates conducted themselves during the nomination for the country's 10th general elections.

Malaysia's has a high literacy rate with about 94 per cent of the population literate. Life expectancy has risen to 77 years and mortality rate has declined.

More than 90 per cent of Malaysia's 22 million population has access to electricity and rural electricity coverage is 98 per cent while 92 per

cent of the population has access to safe drinking water.

The incidence of poverty has fallen to just 6.8 per cent of the population this year from 49.3 per cent in 1970. In 1996, before the financial crisis, the poverty level stood at 13.5 per cent of the population in 1996.

Government policies protected and insulated the population and their standard of living has not been adversely affected. In Malaysia, according to estimates by the Economic Planning Unit, the crisis had pushed about 200,000 more people below the poverty line. Thus the impact of the crisis was an increase of 0.9 percentage points of the population, the smallest increase among the crisis hit countries.

In South Korea poverty rose by 10.6 percentage points of the population, in Indonesia it increased by 8.9 percentage points and in Thailand by 1.5 percentage points.

In addition Malaysia continues to experience full employment with two million foreign workers still finding jobs in the country. Foreign direct investments are still coming in with a number of companies moving their operations from neighbouring countries.

The Government with New Economic Policy (NEP) has shown the world how social engineering and restructuring can be handled without causing disruptions.

According to the Asia Competitiveness Report 1999 "Ownership restructuring (in Malaysia) has been by any reasonable standard highly successful". The report is undertaken by the Geneva based World Economic Forum in collaboration with Harvard Institute for International Development (HIID).

Even as Malaysia's economic development and political stability has come under close scrutiny in recent months there is much that Malaysians can be proud of and be thankful for. Their future has not been jeopardised by policies that could have caused untold damage and erosion of the economic gains as happened in many of the crisis hit countries.

The most severe test of a Government's ability is during a crisis. The Barisan Nasional (BN) Government, according to Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi, has been "tested" several times since 1957 with the most severe economic test of its ability - the recent financial crisis. And it passed with flying colours.

The proof of this is the improvement in the economy and social stability. "The solution," Prime Minister Datuk Seri Dr Mahathir Mohamad said, "is entirely our own, inspired perhaps by others but the actual design has never been formulated before and we designed it in such a way that it is suitable for us".

Government plans and designs policies for the long term and not for short term gains. The Vision 2020 set out a vision of the country into the future, the Kuala Lumpur International Airport (KLIA) have been designed with the needs of the country for almost 100 years and even Putrajaya has been planned to cater for the future needs of the country.

"Ideas is what makes this country different," the BN Government is not short of ideas of how to improve the livelihood of the people and to develop the country, Dr Mahathir said citing the various policies that the Government formulated and implemented over the years some of which, such as Cyberjaya, have caught the attention and imagination of many in the IT industry worldwide.

But the Prime Minister says "The BN Government has a lot more ideas to propel the people and the country forward into the next millennium".

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