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NEP has enabled us to weather crises

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WHEN Malaysia's third Prime Minister, Tun Hussein Onn, launched the Amanah Saham Nasional unit trust scheme on April 20, 1981, Siti Nurhaliza Taruddin could not be older than two years and Md Yazid Md Yusof was yet to be born.

On Wednesday, when Datuk Seri Dr Mahathir Mohamad launched ASN2, Siti Nurhaliza is an accomplished singer and Md Yazid a forward-looking teenager.

Above all, they are both active investors of the various Permodalan Nasional Berhad unit trust schemes.

For being what PNB called exemplary investors, they were honoured at the ceremony alongside a 65-year-old petrol kiosk operator Abdul Hamid Mohamad Noh. They each received a plaque and a certificate from Dr Mahathir.

Siti Nurhaliza, who is now 20 and a household name, started investing in Amanah Saham Bumiputera when she was 12 and in Amanah Saham Wawasan 2020 since its launch in 1996.

Abdul Hamid had been purchasing ASN units regularly since 1981 while Md Yazid had bought ASW 2020 units 249 times since the scheme made its debut three years ago. Md Yazid earned the income by assisting a satay seller.

Siti Nurhaliza was too young to remember the momentous occasion in 1981 and Abdul Hamid might have been as unsure of the merits of his investment as was the case with many unitholders then.

But today, they are among more than seven million Malaysians of all ages who have invested RM48 billion in the various PNB unit trust schemes.

When Tun Hussein launched the first ASN, he made a symbolic investment of RM10 to become the scheme's first unitholder. Today, if that RM10 investment had been kept alive, its total value would have gone up to RM144.90.

It was an exciting and challenging moment for the country. The introduction of the unit trust scheme was the high point of the implementation of the New Economic Policy.

It was the tool by which the wealth of the nation was to be distributed in order to fulfil the NEP's objectives of restructuring society and eradicating poverty.

Although PNB's unit trust schemes were first intended for the Bumiputeras, they were later expanded to benefit all Malaysians with the launching of the ASW.

Then, most Bumiputeras invested in the scheme not because they were familiar with it or because they were confident of its potential but because they believed in the Government's promise that their money would not only be safe but would multiply.

Today, investing in unit trust schemes, whether of the PNB or other promoters, has become second nature to millions of Malaysians.

The success of the various PNB unit trust schemes is an indication of the confidence of the average rakyat in the economy.

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DR Mahathir was stating the obvious when, at the ASN2 launch, he said PNB was a unique and successful result of the NEP.

Such was not the case when it was launched in the aftermath of the May 13, 1969 communal riots.

It was strongly criticised as racist and discriminatory, and was even equated to South Africa's apartheid.

What is often ignored by the critics is the fact that the expansion of the economic cake as a result of the implementation of the NEP projects and programmes have benefited all Malaysians regardless of their ethnicity.

Today, thanks to the success of the policy and its successor, the National Development Policy, Malaysia has been able to weather economic and political crises that brought chaos and bloodshed to other nations in the region.

This is a fact recognised by our own people and foreigners who once opposed the NEP.

Today, they blame the widespread poverty and economic imbalance in Indonesia, which led to the violence against the ethnic Chinese minority, on the absence of a policy like Malaysia's NEP.

Personally, I do not think that we should be overly concerned with negative remarks made by some foreigners about our country and systems.

Many are doing so out of ignorance and arrogance. These are people who think they know everything about other people because of the colour of their skin and the country they come from.

What should be a greater cause for concern to us is the denial by our own people that they have benefited from these policies and the stability of the country.

While we should remain vigilant against foreigners who are bent on stirring up hatred against Bumiputeras for benefiting from the NEP and the privatisation policy, the greater concern is the denial syndrome of our own people.

These are people who can't differentiate between their adulation for a certain political leader and hatred for another, and will not hesitate to do things that sabotage the long-term interests of the country.

Of course, any foreigner who wishes to create a feeling of hatred among Malaysians by using the NEP may find followers among such Malaysians.

But having seen how the country successfully sprang back after each crisis, I am confident that Malaysia will emerge stronger from the current predicament.

And not every foreigner wants to see the various races in the country at loggerheads or resort to violence. Many of them love Malaysia as much as we do.

We must recognise those foreign investors who have brought in billions of ringgit of investment and have been unflinching in their support for our development plans and policies.

The few who may harbour ill intentions towards us may be limited to people who have all along been predicting the failure of our policies or those who want to exert influence over us by manipulating certain leaders or political organisations.

Hence, as Dr Mahathir put it, we should not allow ourselves to be influenced by them or fall prey to their incitement.

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WHEN a Third World leader questions the US motive in demanding a level playing field in world trade, he or she is accused of trying to put a barrier to free trade.

The US is using free trade as a mantra to force nations, big and small, developed and developing, to give unlimited access to US goods and services.

From the American point of view, such access should be limited only by its own ability to make use of the market opening or by the decision of its powerful multinational corporations and fund managers.

While hiding behind the call for a level playing field, the US Administration has no qualms about using strong arm tactics to pry open

markets around the world.

This is no longer the complaint of the developing countries. Even the powerful and united European Union is having problems with the US in exercising its trade policies.

The so-called banana war and the threat by the US to take the EU to the World Trade Organisation over the latter's plan to ban hushkitted commercial aircraft from its airspace are among recent examples.

Now even Americans are beginning to oppose the methods used by their Government.

Just over a week ago, Federal Reserve chairman Alan Greenspan decried what he said was the rise in US protectionism and the reliance on "adversarial" trade negotiating practices.

Addressing a conference on international business in Chicago, the highly respected central banker criticised President Bill Clinton, who vowed to enforce vigorously US trade legislation.

Greenspan cited the case of the Commerce Department, albeit under pressure from Congress, seeking to slap punitive duties on Japanese and Brazilian exporters of hot-rolled steel on grounds that their products had been "dumped" on the US market at unfairly low prices.

The office of the US Trade Representative has meanwhile filed 41 complaints with the WTO, more than any other WTO member and frequently points to its strong success rate.

Another example of the US strong arm tactic is seen in its bilateral trade negotiations with China and its stance on China's application for membership of the WTO.

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WE end this week's column by pondering several interesting quotes on the state of opposition politics that a friend from a competing newspaper sent me.

\* "There is this quest for an Islamic State among a segment of the Malay middle class. It is a quest which challenges the very basis of the present constitution. It calls into question the very character of the Malaysian State." (August 1987).

\* "Any student of Pas politics knows that the party thrives on its purist, exclusive image. Anything outside its narrow, superficial, dogmatic interpretation of Islam is regarded as untrue and illegitimate." ('Freedom in Fetters', 1986).

\* "If the Pas-Chinese Consultative Council line-up becomes a powerful trend, Malaysian society as a whole will be the loser. On the one hand, traditional, conservative Islam will be on the upsurge, on the other hand, Chinese chauvinism will rear its ugly head." (June 19, 1986).

\* "The opposition parties are so divergent ideologically that they will not be able to constitute a stable government. Besides, the interests represented by some of the major opposition parties and their social backgrounds are so different that a workable relationship does not seem possible. In any case, it is doubtful if at the moment a united opposition will be able to replace the Barisan." (June 19, 1986).

\* "Just because all opposition parties agree that poverty should be eradicated and corruption should be eliminated, it does not mean that they can form a united, cohesive alternative government. It takes more than agreement on broad, general principles to run a stable government in a multi-ethnic society like ours." (June 24, 1986).

These words were not uttered by any member of the Government or Barisan Nasional parties. They were the words of Dr Chandra Muzaffar before he became deputy president of Party Keadilan Nasional.

Finally, a correction is necessary to put the record straight. It was stated in last week's column that Pas and the DAP garnered 7.8 per cent of

popular votes in the 1995 general election.

The DAP, Pas and Semangat 46 together obtained 29 per cent of popular votes in the parliamentary contest against 63.2 per cent by the BN.

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