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No review of NDP until target is met (HL)

Kamarul Yunus

THE special benefits to help Bumiputeras secure a 30 per cent share of the country's wealth will only be reviewed after the target has been met, says Prime Minister Datuk Seri Dr Mahathir Mohamad.

Until then, the Government will continue to safeguard Bumiputera interests and work towards achieving the objectives of the National Economic Policy (NEP) and its successor National Development Policy (NDP), he said in his keynote address at the opening of the two-day Fourth Bumiputera Economic Congress in Kuala Lumpur yesterday.

This has been made all the more necessary because of the 1997-98 economic downturn which had threatened 30 years of government efforts to achieve socio-economic balance among the country's multi-racial communities, Dr Mahathir said.

"During the crisis, many Bumiputera companies, including the big ones, could not defend themselves because they were not sufficiently strong," he noted.

In addition, the Government's task has become doubly challenging in the light of globalisation and the creation of a borderless world market.

"When globalisation reaches our country, we will have to face an open economy which means foreigners have the right to enter our country and are free to do business without any interference from the Government," he said.

In fact, foreigners are already demanding that they be allowed to do business in the country without any conditions, he added.

"And as a member of the World Trade Organisation, we have to abide by its decisions or else sanctions will be imposed on us.

"This is the developed countries' definition of globalisation. There is no consideration for whether countries are big or small, strong or weak.

"They said there must be a level playing field... let the giant compete with a dwarf," Dr Mahathir said.

For this reason, the country's weaknesses must be identified and rectified in preparation to compete in a knowledge-based economic environment, he added.

This includes finding ways to further build up the Bumiputera business community, and for a start the relevant agencies and organisations should conduct a survey on the impact of the economic crisis on Bumiputera entrepreneurs, he said.

The Government has always been realistic, including when it set the 30 per cent Bumiputera participation target, he said.

"Although Bumiputeras make up 60 per cent of the population, we are not so greedy as to want 60 per cent of the country's wealth.

"We only aim for a 30 per cent share...and if the Bumiputeras can achieve more than that, it is all right too," the Prime Minister said.

The interests of the non-Bumiputeras are meanwhile not neglected. In fact, they have benefited from the NEP and NDP as well, and they accept and understand the rationale of the policies, Dr Mahathir said.

The NEP was introduced in 1970 and 20 years later replaced with the NDP together with the implementation of the Second Outline Perspective Plan.

Despite setbacks caused by the impact of the region's financial turbulence, the two policies have managed to improve the livelihood of the Bumiputeras without jeopardising that of the other communities.

"If previously Bumiputeras' share in the country's wealth was only 1-2 per cent, it is now about 20 per cent, although this is still short of the

30 per cent target," he said.

Bumiputera entrepreneurs on their part have to examine their own shortcomings, especially in managing their businesses.

"Poor management has been identified as one of the weaknesses which had contributed to the failure of some government efforts to assist Bumiputeras.

"I agree that many Bumiputeras are now efficient and capable...but the majority is still not well-versed in business matters," Dr Mahathir said.

"This includes an apparent lack of focus and tendency to rush things.

"There is nothing wrong in venturing into new areas, but the entrepreneurs should ensure that their existing businesses are strong and successful first," he added.

The Prime Minister later spent more than an hour at a dialogue session with the participants.

The congress, being attended by about 1,000 public and private sector representatives, is aimed at assessing the performance and achievements of Bumiputeras since the NEP was introduced. This will form the basis for new efforts to promote further development of the community.

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