

19/05/2000

PM's Umno speech sets the agenda for economic change

Ramon Navaratnam

WHAT Prime Minister Datuk Seri Dr Mahathir said at the Umno General Assembly will set the essentials for economic changes. These changes are necessary not only for the Melayu Baru but also for all Malaysians, as Malaysian Baru.

This is not the struggle of only one political party, but of all Malaysians.

What are the changes necessary to better prepare for Wawasan 2020 and Globalisation?

Firstly, we need a new culture of attaining more knowledge, self-discipline, and greater competitiveness, with less emphasis on ethnicity but more concentration on economic development and national unity.

Secondly, the Prime Minister stated that the NEP has helped the bumiputeras tremendously. The National Development Policy could now therefore become more broadbased and merit-oriented. Only the deserving, academically qualified, financially disciplined and competitive should be given contracts, licences and other economic opportunities.

Then they will be more likely to succeed and be less inclined to bite the hands that feed them.

Anti-poverty programmes could be directed more to the low income groups of all races. There will then be less emphasis on ethnicity and priority will be given to need.

If more is to be done for families earning less than RM 1,000 a month, for instance, the bulk of the beneficiaries will be bumiputeras. However, poor Chinese, Indians and other minorities will also benefit, without feeling left out.

All Malaysians should be given equal access to good education. Students in rural and depressed urban areas should be given higher priority in amenities and staff. The teaching of Bahasa Malaysia, Science and Maths and IT should be strengthened, especially for the less fortunate students.

However, once they graduate they should not be protected. If they do not learn to compete in their early careers, they will always want to be protected and become anti-establishment if not spoonfed. Over-protection of some of our graduates and companies will undermine their own and the country's capacity to compete and progress.

Reducing the economic gap between the races can constrain economic growth and national progress. It could mean over-protecting some races and holding back others. This kind of policy would slow down the achievement of the objectives of Wawasan 2020 to make Malaysia an industrialised country.

Instead, it would be more productive to aim to raise the living standards of all Malaysians, especially those in the lower income groups. Here again the bumiputeras, the major race, will gain most. This could be done by providing more priority for the basic needs, like affordable housing, wider skills training, higher food production and greater labour productivity, to earn higher incomes.

Corporate restructuring should continue but with less preoccupation with equity targets. The bumiputeras already command the strategic heights of the economy. This is evident in petroleum, energy, telecommunications, airlines, roads and ports and major banks and financial institutions, etc.

So what is now essential is to produce more quality graduates to ensure that these strategic industries are better managed with more competent

bumiputras.

Undue concern over corporate targets like the 30 per cent NEP Target, and over-concentration of this equity ownership in a small number of bumiputeras, will encourage materialism and even individual greed for more and more wealth.

The improved distribution of economic opportunities and equity ownership among bumiputeras and other races will also help to reduce money politics much more effectively than sincere appeals that can easily fall on deaf ears.

Money politics, like corruption, can erode the strength and resilience of our economy, even without any external threat at recolonisation. Our election results will hopefully reflect the rakyat's aspirations for a more clean and efficient economy.

Ownership of equity has to be more broadbased, to gain more co-operation from the bumiputeras for the National Development Policy and other similar policies.

In fact the time has come to have even more Wawasan type Equity Funds to encourage the support and commitment of the Chinese, Indian and other minorities for the Government's socio-economic policies. Then there will be less racial polarisation and a greater sense of national unity.

Political parties have grown strong over the years - but they cannot be stronger than the Government. The Government's economic policies are supposed to benefit all Malaysians, while political parties are generally more concerned with the welfare of their membership and their political supporters, to survive and prosper.

Hence any predominance of party priorities over the Government's national policies can weaken public credibility and confidence in the management of the economy. It should be carefully handled.

From now on we can all work more purposefully to formulate and adopt fresh economic policies, some of which have been outlined above, to prepare ourselves for Wawasan 2020, where we will all become Bangsa Malaysia - enjoying peace, prosperity, equity, and unity under the beautiful Malaysian sun.

(END)