

PM: Study-loan defaulters damaging image of Malays

STAR 17 JAN 2002

KUALA LUMPUR: The habit of students defaulting on repayment of government study loans has affected the image of the Malay community.

This attitude has even spread to others who are now defaulting on bank loans, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

"Actions like this make banks wary of giving loans to Malay businessmen because of their likelihood of defaulting," he told reporters after

launching the Youth wing of the Malaysian Malay Chamber of Commerce at Putra World Trade Centre here yesterday.

"When you misbehave, the whole community suffers, causing people to lose faith in Malays," he said in response to a newspaper report that 60% of students given study loans by the Public Service Department had failed to repay the loans.

The report, quoting PSD Director-General Datuk Seri

Jamaluddin Ahmad Damhuri, said only RM100mil had been returned of the RM2bil in loans given to students in local and foreign universities since 1987.

Addressing the Youth wing earlier, Dr Mahathir said there was no reason for students to default on their loans as many of them would have started work.

"The Government has provided all kinds of opportunities for Malays to advance and master knowledge to be

successful.

"In fact, not a single country has given as much assistance as Malaysia has, but the rate of success attained by bumiputras is not as high as it should be," he said.

Dr Mahathir called on young entrepreneurs and businessmen to equip themselves with the right values and knowledge for success, such as discipline, hard work and patience.

"Even when policies are put into place to help Malays suc-

ceed, their progress is not as much as the Chinese and Indian communities. Malays must practise self-criticism to find out the reasons for them being held back."

They must identify the reasons impeding their progress, take corrective measures and cultivate a different set of values that could lead them to success, he said.

"In business, one has to be patient and be prepared to face losses in the first few years. But there are those who

want to reap profits immediately.

"In the end, there are many Malay businesses which have to be sold off because they purportedly lack capital.

"Actually, they have enough capital but the entrepreneurs chose to venture into businesses bigger than their working capital can afford," he said.

He urged Malay entrepreneurs to master the basics of running a business before setting up their own firms.