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Najib-Business

REVIEW POLICY ON CREATING INSTANT BUSINESS ROLE MODELS: NAJIB

KUALA LUMPUR, Oct 23 (Bernama) -- A senior Cabinet minister says Malaysia's policy of creating instant corporate success stories and role models needs to be reviewed, with good corporate governance and transparency becoming the norm rather than the exception.

Defence Minister Datuk Seri Najib Tun Razak said the government's efforts to create a new class of Bumiputera business leaders had fallen short of expectation not because of a wrong policy but due to lack of controls placed on these so-called role models.

"What did go wrong was the lack of controls placed on these icons of success in the management and governance of the companies which they led.

"We set great expectations on a handful of these individuals, handing them opportunity after opportunity in the hope that they may deliver results and make our people and country proud. We now realise that there was a need perhaps to be more measured in providing opportunities," Najib said at a dinner talk organised by the National Press Club here tonight.

Obviously referring to a spate of failures of late involving some of the country's once top businessmen awarded huge concessions under the privatisation policy, Najib said the country must now be wary of providing too many such opportunities to too few individuals in too short a timeframe.

"The odds for success are against those whose distractions are many," Najib said, adding that recent revelations of corporate problems in the United States should provide the Malaysian corporate sector with a better sense of where it should be heading.

Najib, who is also an Umno vice president, said Malaysian corporations should take heed of the wrongdoings of a number of large American companies and at the same time conduct their own audit and self-assessment.

"At the end of the day, corporations must prove to be responsible as well as answerable to the shareholders, whether majority or minority," he said.

He pointed out that Malaysian companies and workers must prove to be competitive in what was becoming a highly challenging and demanding region and world, with foreign direct investment going down regionally and most of it going to China.

Explaining the rationale for Malaysia's switch to English from next year for teaching Science and Mathematics, Najid said: "We must not remain parochial and continue to fight for own languages at a time when the community itself is falling back and remaining orthodox in the face of severe global competition".

On the future political scenario, he said since Prime Minister Datuk Seri Dr Mahathir Mohamad's announcement in June of his plans to retire in a year's time, Malaysia had been placed on the political succession mode.

But, he said instead of uncertainty and unpredictability, the succession process had been made clear and unambiguous and this was the true hallmark of Malaysian political leadership.

"It has been said that the true test of a leader is the manner of his exit. Many world leaders tumble, despite their success, especially in terms of their reputation when they either overstay or end up being forced to step down.

"In this respect, Dr Mahathir belongs to a very exclusive group that vacates the helm in the most respected manner. He is putting into place an

orderly succession plan and the timeframe is adequate to absorb and cushion any impact on the move".

He said Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi, Dr Mahathir's annointed successor as prime minister, would provide a degree of stability and continuity and this would ensure a smooth transfer of power with the least possible disruption in October next year.

In his dinner talk, Najib made no mention of Dr Mahathir's own preference for him to take over from Abdullah as the next deputy prime minister.

Dr Mahathir recently said that Najib, due to his seniority in the party and Cabinet, was the most suitable to take over as the No. 2.

But Najib said: "I think it is unrealistic and even foolhardy to think that everything will remain the same when the new leadership emerges.

"There will definitely be a new round of political dimension. This is obvious. However, what is important is that it will not be disruptive nor lead to an instability. The system that we have will ensure that," he said.

-- BERNAMA

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