

National development, when all our human resources are needed to participate in nation building, all forms of obstructions, including illiteracy, must be removed. The Alliance Government will not stop nor spare any effort to eradicate illiteracy. I can assure our people that it will not be long before our new nation, Malaysia, will be free from this social evil of illiteracy.

We are indeed proud of our achievements since Independence. Only a week ago we celebrated the 10th year of our country's Independence with much gaiety. We celebrated that auspicious day on such a grand scale because we felt that, after a decade of development, progress and prosperity, as a young Nation we have done much more for our people than what had been given to them in a century under Colonial rule.

Now, as our country enters its 11th year of Independence we look ahead, determined to do much more. We know the future holds a bigger challenge. We anticipate there will be problems and obstructions.

## **WARNING TO THE BUMIPUTRA MALAY CHAMBERS MUST STAND FIRMLY ON THEIR OWN FEET**

*Bumiputra businessmen heard a solid, constructive and thought-provoking address from Tun Razak when he opened the Annual Conference of the Associated Malay Chambers of Commerce of Malaysia in Alor Star on the Nth July, 1967. He brought home the fact that business is competitive and needed hard work and hard fight to survive, to succeed and to make profits.*

I welcome this opportunity of talking to you all who are a very representative cross-section of Bumiputra businessmen throughout the Nation. I remember in my speech to your Association in Kuala Lumpur last year. I suggested that you get together and produce a blue-print of action so that as an association you will be able to play an increasingly effective role in the expanding economy of our country.

I do not wish to give the impression that I am in any way *anti-Chambers of Commerce* as such, but I am *anti* any organisation, whether it be government or *voluntary* which is moribund and has neither unity nor drive. There are many Chambers of Commerce whose only function seems to be to get together either on *social* occasions merely to eat and make speeches, or on other *negative* occasions to fight lax increases, tariffs and other government policies. Having fought their battle with government, they *revert* to a negative role, doing nothing, until something comes along to fight for again in their own *narrow* interest without a thought for the progress of the nation as a whole.

My concept of a thriving and lively Chamber of Commerce is an association of businessmen who get together not merely with the selfish intention of what they can *get* for themselves, but also with the *more positive* and *progressive* intention of what each and everyone of them can *give* and contribute not only towards the benefit of their own businesses, but also to the *benefit of our national trade, commerce and industry* for the economic progress of Malaysia!

Therefore, I would like to see the various Chambers of Commerce in this country to grow up with some *depth, depth* of purpose, and with some depth in their day-to-day action!

It was with this in mind that I suggested to you to prepare a *blue-print for action*, and I have since read a draft of your plan. If I praise it. I know what your immediate reaction will be! You are bound to respond with a request from me to give you funds in order to implement it. And if I give in to your request. I think I will be failing not only you, but also, myself, because if you are to be a really dynamic association, you must be yourself standing firmly *on your own feet* and not propped up by government.

Therefore. I suggest that in order to *prove your motives* in your membership of this Chamber of Commerce are unselfish, why not give *concrete evidence* of this *unselfish service* in the form of a contribution towards *your own funds first*? Then perhaps, after you have proved to the government that you have done your best to your honest ability. I am sure, government would be much more inclined to help you if help is in fact required.

I think also that in an association such as yours, there must be more *give and take*. By this I mean that the more successful of

you who are Bumiputra businessmen and who have built up viable and financially sound businesses must be prepared to sacrifice a little of your time and even a little of your money to plough back into this association, experience and guidance to help your colleagues who are at the lower rung of the ladder of business success.

in other words, the leaders of this association must not only attend to their own needs in the field of business, but give guidance and leadership to those Bumiputra, your members, who are launching out for the first time in the field of Commerce. In this respect, the Alliance Government has done a lot to fulfil the resolutions of the Congress Bumiputra. in helping Bumiputra businessmen.

I am glad to report to you that MARA is now really producing results. The Technical Advisory' Service Division of MARA has already helped many new Bumiputra businessmen by giving advice and guidance in many fields of business, and I hope that many more *will take advantage* of this service given by MARA which is open to all of you to use to the full. With regard to the Credit Finance Division of MARA which is giving out many hundreds of loans to Bumiputra businessmen. I am happy to say that the new systems and the new ideas which are being implemented by MARA in this respect are beginning to show success.

The great secret of MARA or any other government agency giving out a loan to help a businessman either start a new venture or improve an existing business, is. first and foremost, to ensure that a sound economic appraisal and feasibility study is made of his venture before *one cent* of loan money is approved. The Loan Division of MARA has been strengthened with economists, financial analysts, civil engineers, and other specialists who. with their professional knowledge take a very *hard* look at the project for which the loan is to be given, and unless and until the business project is brought up to a standard which will guarantee success, funds are not given out.

This means that in cases where loans are approved success is almost guaranteed from the very beginning, and as the project develops, there is now strict credit control with continual reviews of progress, combined with constant supervision, and this policy is now paying dividends, an indication of which is that recently more money has been coming back to MARA as interest on successful loans, more than has been paid out for other loans.

I am very happy about this, because it means that now we the Alliance Government have really improved our system of helping Bumiputra both financially and technically, and that system is working well.

I would like to say, however, to any of you or any other Bumiputra businessmen who may not be present here to-day, that if you apply to MARA for a loan. and. if per chance, your request is not *immediately* approved, do not be despondent because with the refusal of approval, you will also be given detailed reasons as to why it is thought that your scheme of action is not economically feasible. I hope you will be given advice as to how to put up a case for an economically feasible project.

This policy, you will all agree with me. is logical. The idea of a loan from MARA is not to give charity, not to give a loan which cannot, and never will be repaid; and so get a loanee deeper into debts, ending up as a bankrupt. Our policy is to build up viable, financially sound businesses run by Bumiputra who will eventually become prosperous and not become bankrupts. The only way of applying this policy is to enforce this system of sound appraisal into every business before the loan agreement is signed.

*Let me be frank with you, Bumiputra participation does not mean, as some people think. merely obtaining a licence, lending it a name. and then let someone else run the enterprise. earning a large profit himself for a regular fee paid to the licenced Participation in business must mean one-hundred percent participation, both with a contribution of capital and contribution of energy together with an active part in the day-to-day running of the business! In the past, there have been too many licences such as mining licences. timber licences. taxi licences and. perhaps. licences even for private industries. given out in someone's name and then the licensee becomes a sleeping partner!*

Then what happens: "Si-tidor di-makan si-jaga."

As your President has already mentioned. I would like to develop his theme in the way that I foresee real *one-hundred percent Bumiputra participation* in the commerce and industry of our country. The answer lies in *joint ventures*, not only with the established businesses of our country, but also with the many many new types of industry and trade in which opportunities are opening up from day-to-day as we progress economically.

Bumiputra participation does not mean the taking away from existing entrepreneurs. their business rights and giving them to new Bumiputra businessmen. No! In our present *expanding* economy, there are *ample opportunities for all*. and this is the spirit which I would like to see permeate the private sector of our economy, a spirit of *joint venture*, particularly, in all the new and expanding enterprises which are at present being set up in our country, and this expansion will increase even more in the future. Real co-operation between Chinese. Malays. Indians- all of us Malaysians.

Business is *competitive*. It needs *hard work* and a hard fight to survive, to be successful, and to make profit. All of you know this; and I am sure, you have discovered it from your own experience in business. But let us also think for a moment, not entirely of our personal profits; let us remember this word "*competition*"; the words. "*hard work*" and "*hard fight*", and apply them in the national context.

As each and every businessman fights for his place or success within the economy of our country, so also, *must Malaysia*. by a *united effort* on the part of our own businessmen, irrespective of what racial origin we may be. must also *fight*, and *work hard*. if Malaysia is to take its rightful place within the frame-work and mosaic of trade, commerce and industry throughout the world. If Malaysia, our country is. to take its proper place in the trade of this world, we must be national in our loyalty, and we must be international in our *thinking!* I

National and personal ambitions are essential ingredients and are the motive force behind any successful business, but. nevertheless. at the same time, to compete with the rest of the world. must *interlace our national loyalty* with an *international liberalism!*

Therefore let us not be so nationalistic that we turn away foreign investors, foreign capital and foreign skills, all of which can play an integral part in our economy and give a tremendous boost to our national programme of industrialisation and our programme of obtaining our fair share of international trade.

People talk about joint ventures. I would like to coin a new\* expression "joint-joint-venture." of which the three components would be a joint venture between the various races of our country in the business field, and if need be, the third joint encouragement of outside capital. Events in Hongkong, and in other countries

where there is strife and instability, have made big business investors look for other more stable countries in which to invest their capital and modern skills of industrial enterprise. Malaysia is attractive to them. This opportunity must not be missed when the world has so much faith in the stability of Malaysia.

Let us entice the biggest enterprises of the world to come to our shores and set up factories and other trading organisations which in the long run will give Malaysia in this international world of trade, an opportunity to provide more jobs and higher standard of living for our people.

It is my intention, therefore, in collaboration with my Cabinet colleagues, to set up a Commission, the members of which will be drawn both from the private sector and one or two from government, to take a hard look at the conditions under which investors both local and foreign have got to comply with, before they can set up a new venture in Malaysia. Although in the last ten years we have progressed tremendously, we still have a lot of old-fashioned rules, regulations and bye-laws in Municipalities and in States which are a little bit out-dated and are frustrating the would-be business investors.

I hope that with the co-operation of State governments, which constitutionally are largely responsible for the subsidiary legislation regarding the issue of licences, the acquisition of sites for factories, for shops and other industries, we will be able, through the work of a fully representative Commission of Enquiry, to shed the frustrating, out-dated, colonial orientated regulations of the past, and substitute a streamlined method which will speed up investment, both local and foreign, in the industry and commerce of our country.

Allow me in conclusion to suggest a slogan, which, in fact, is the slogan of the very first Chamber of Commerce established in the world in 1912:

A national federation working for *good-citizenship*, good government and *good business*

"The campaign is not to stop eating rice or to substitute rice, but to produce more of it"

*Tun Abdul Razak*