

Making sure that no Malaysian is left behind
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MERDEKA celebrations are in full swing as the country marks its 50th anniversary of independence from the British next Friday. The nation has come a long way from the day when the Union Jack was lowered and the flag of an independent nation was raised at Dataran Merdeka.

The development of the nation has impressed many visitors, even those from the developed world. Professor Jeffrey Sachs of Columbia University said the "world needs Malaysia to end poverty in the tropical regions".

The country is well on the way to eradicating extreme poverty and has set 2010 to achieve the target. It can be an example to the rest of the world, "demonstrate success and what can work... If Malaysia can end extreme poverty, there is no reason why the rest of the world cannot achieve it".

"This in itself will be transformative. We take away excuses from the rich. We take away excuses from the poor and from everybody that it cannot be done, by showing that it can be done," said Sachs, the first holder of the Royal Professor Ungku Aziz Chair at University Malaya.

Nobel laureate Dr Muhammad Yunus, founder of Grameen Bank, equally impressed, challenged Malaysia to set up a "museum on poverty".

Sachs considers Malaysia's success and progress to have been due to the systematic step-by-step approach adopted. He noted six steps implemented by the government since independence:

- * The green revolution;
- * Building national infrastructure;
- * Urban-based manufacturing and services;
- * Public infrastructure in health and education;
- * Empowering women; and
- * A knowledge-based economy.

On gaining independence in 1957 the country was mainly agricultural. It was heavily dependent on natural rubber and tin as the main sources of income and revenue for the government. Tunku told the nation, "the federation has had a good trading year. Prices of our main exports, rubber and tin, have improved". As a result the government revenue for 1955 exceeded expenditure by more than RM40 million.

The following year the prospects were not so good and with income based on the price of rubber being maintained at RM1 per pound, the expenditure for 1956 was forecast to exceed revenue by nearly RM50 million.

Today, as the country celebrates 50 years of independence, the face of Malaysia and its economy has changed dramatically. Rubber and tin, which fetch higher prices today, do not feature as prominently as sources of revenue as they did then. The economic base is highly

diversified with manufactured goods, oil and gas, electrical and electronic products as well as services accounting for a larger proportion of revenue.

In 1956, 475,000 people opened savings accounts with the Post Office Savings Bank, with total deposits amounting to RM122 million. Today there are more than 30 banks in the country, including foreign banks.

The Employees Provident Fund, at the end of September 1956, had nearly 800,000 contributors who between them had accumulated over RM170 million. Today the fund size of the EPF stands at more than RM260 billion with millions of contributors.

With the move up the ladder of development and the emphasis on a knowledge-based economy, education and development of human capital is even more important. A large proportion of the annual budget continues to be set aside for education.

In fact, human resource development is even more important today if the country is to remain competitive and improve productivity to meet the increased competition being posed by other emerging and newly-developed nations. Vietnam, India and China are fast emerging as new centres for foreign investment.

The Master Plan for Higher Education is to be unveiled next week, while the Educational Development Master Plan was unveiled in January.

Undoubtedly, the 2008 Budget, to be tabled in Parliament on Sept 7, will pay equal emphasis to education and human capital development. In the march towards becoming a developed nation in 2020, it is important that no one is left behind. The needs of the poor fisherman and farmer must be considered just as much as those of businessmen and entrepreneurs who want incentives to move abroad.

As the nation sets its sights on the next 50 years and beyond, it is essential that the aspirations of the founding fathers are not forgotten. Each and every citizen, irrespective of race, religion, colour or creed, must have a place under the Malaysian sky.

Helping and providing for the less fortunate is "not charity", as Grameen's Yunus emphasised. "It is good business to get people out of poverty."

Perhaps Malaysia, as he challenged us, will be the first country in the world to have a "museum on poverty" for the benefit of future generations who will not know what poverty is.

Malaysia may be a developing country, but it can "lead by example and lead by demonstration". Something to be proud of as the nation marks its 50th Merdeka.

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