

**Banks do not do Cowgate**  
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YOURSAY 'Ask Nazir Razak, the PM's brother, what he thinks of lending the entire loan portfolio to bumi companies.'

Revive 30% bank loan to bumis, Kadir urges gov't

your sayONG: People who still believe that NEP (New Economic Policy) with its 30 percent bumiputera quota can be a policy implemented without gross abuse are either dreamers, idiots or hypocrites.

NEP was designed in such a way that its implementation have to be abused. Why? The original target beneficiaries and subsequent self-appointed beneficiaries are also the policy implementers.

Even the 30 percent target is constantly moving, shifting and illusory, making the NEP an actual Never Ending Policy.

Kakarook: Revive 30 percent bank loan to bumis? You want to bankrupt the banks again?

Disgusted: During the financial crisis of 1997, many banks almost went bust and some finance companies went down on account of bumi entrepreneurs absconding on their loans when they mismanaged their companies.

Even after that, due to the policy of extending easy loans to dubious companies which had political connections, many defaulted on their loans and many banks could not pull themselves out of the red and had to be taken over (bailed out) or merged with better-run banks.

The problem with many bumi entrepreneurs is they do not use such loans to build up or boost their companies. They spend it on themselves - by buying bigger and better cars, engaging unnecessary employees and paying them highly (especially secretaries), joining expensive golf clubs, going on overseas holidays, etc.

Need I say more? A classic example is the NFC (National Feedlot Corporation). So banks have to be prudent in their lending and have to do their due diligence before they give out money, be it for bumiputeras or non-bumiputeras.

Artchan: Banks are in business to make money. Lending money to sure-fail projects is madness. Banks will allocate a very small portion of their funds for bumiputera loans only as a result of arm-twisting by the government.

Ask Nazir Razak, the PM's brother, what he thinks of lending the entire loan portfolio to bumi companies.

Unspin: I fully support Amanah deputy president Abdul Kadir Sheikh Fadzir's idea of giving assistance to many deserving middle-class bumiputera entrepreneurs instead of a handful of well-connected elite Umnoputras.

There was nothing wrong with the concept of NEP but unfortunately, its implementation was bastardised by former PM Dr Mahathir Mohamad and former finance minister Daim Zainuddin to favour their cronies.

We also need a process or system to monitor the performance of those who receives financial aid, and if they mess up, they should be blacklisted so that they cannot repeat the same mistakes and get away with it.

In that way, only the fittest will survive and there is no doubt that thousands of bumiputera entrepreneurs will thrive if they are given the right opportunities.

Socialist007: Why middle-class bumiputeras still need help from government after 40 years of NEP policy implementation? Did the bumis (including middle-class bumis) spend all the wealth they earned in the past 40 years?

When are the bumis going stand on their own feet? Can the government support the bumis forever?

Manjit Bhatia: Socialist007, great questions! The idea of 'middle-class' denotes a degree of success in economic, social and political life (upward mobility) not unlike the working and lower classes who will always struggle to make ends meet.

So why would middle-class bumis entrepreneurs and others still require state assistance (subsidies)? You'd think that being middle-class would have granted them better options to stand on their own feet and, like others in their shoes or even those smaller business people, compete in an open market.

After almost 42 years of a complete waste of national wealth, you still want to provide crutches to the middle class? It simply doesn't add up.

Are Malaysians that happy to see their hard-earned money paid in taxes end up subsidising the wealth and lifestyle of the better-off Malaysians? Because that's what the government has been doing for 42 years, if not longer.

Onyourtoes: With withering non-Malay population, a system of preference for the majority simply cannot work any more even though the non-Malays may be willing to sacrifice.

By the way, I want to ask about Khazanah's divestment to Malay entrepreneurs. Is Khazanah a Malay entity or a government entity? Is Khazanah holding assets on behalf of the government of Malaysia or the Malays?

You fellows (budding politicians and has been politicians) drink water but do not know where the source is.

Jean Pierre: Didn't Mara dish out gazillion dollars of loans to pseudo-entrepreneurs? The first thing they did was to buy a luxury car.

It's a fallacy to claim that majority of the Malays were failed by the elite Malays who kept the nation's wealth for themselves and nothing for the poor. The Malays simply failed themselves.

Trumpet Call: This is exactly what we hate, more race-based policies. Even before Amanah becomes a party, it is already on the wrong footing.

To suggest the reinstatement of a policy that has become obsolete is to bring the nation back to the past.

If the deputy president of Amanah has this kind of thinking, then what everybody is saying about the NGO is probably correct: Amanah is a gathering of the has-beens that nobody wants.

Mamakputra's Stooge: Kadir, are you implying Malaysian banks are racist or incapable of making sound credit decisions?

Given that there are only two non-GLC (government-linked) banks in Malaysia, why do you need to come out and openly ask for this 30 percent allocation?

One NFC is equivalent to 10,000 loans to bumiputeras to purchase low-cost homes at RM25,000 each...

Blind Freddo: Banks are businesses which need to make a profit for their shareholders. That's the bottom line. If a bumi business is viable, it gets a loan. Anything else is unacceptable because it promotes incompetence. The NEP has already done enough of that.

Sabahan: Banks do not do 'Cowgate'.

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