

'Ludicrous pride' in M'sia's economic growth
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Malaysia should stop comparing its economic growth to poorer neighbours and instead look to compete with the current Asian tigers, said Prof Dr Rajah Rasiah of Universiti Malaya.

"We have so much going for us that it is ludicrous to be proud about heading the Southeast Asian developing nations," said Rajah, who teaches technology and innovation policy

He was speaking on Malaysia's new economic agenda at a forum last Friday in Petaling Jaya, jointly organised by the Institute for Policy Research and the Konrad Adenaur Foundation.

Rajah said Malaysia has the potential to compete with Asian economic powers such as China, Singapore and Taiwan, and should structure its economy accordingly.

However, current economic policies are not freeing up resources, therefore making Malaysia one of the lowest-performing countries among the economic giants of Asia.

"Malaysia had the lowest economic growth from 1960 to 2005 compared to China, India, Korea, Singapore, Thailand and even Vietnam," he said.

He argued that the main flaw is the 30 percent bumiputera equity ownership target.

The policy, which is in direct contrast to basic capitalist ideas of competition, has caused racial polarisation and created an economy based on political connections, not performance, he said.

"If the goals of a government linked company (GLC) are not reached, the CEO is then transferred to yet another GLC. This would never happen in Taiwan," he noted.

Malaysia also needs to rethink other policies such as foreign investment subsidies and to expand its development plans beyond race.

"We should accept Malaysia as one society. If we don't feel that we are one, we won't be able to reach the status of the Asian developed nations," he said.

The two other panelists were PAS research centre director Dr Dzulkifli Ahmad (left) and DAP economic adviser Tony Pua, both of whom supported the need to revise policies.

Dzulkifli urged Malays community to recognise that income disparity has increased within their community, while Pua proposed that the Malaysians purge the mindset that the success of one racial group would be at the expense of another.

The forum was aimed at educating the public on the need for policy change and to open up debate on the state of the economy.