

# Keep up reform momentum

THERE has been a lot of heat generated during the past week over the New Economic Policy. It started with Umno Youth calling for the "reintroduction" or "revival" of the NEP.

It's sad to see a surprising lack of understanding from so many quarters, both non-Malay and Malay, of the NEP, as well as how to move forward. Some, particularly the young, thought there was no such thing as the NEP.

Part of the lack of understanding – and the controversy generated – could be due to the dual objectives of the NEP and the emphasis given to each of the objectives by the Malay and non-Malay communities.

Before I proceed further, it's perhaps appropriate to reiterate the background to the NEP and its twin objectives.

The policy was formulated after the bloody racial riots of May 1969. The architect was Malaysia's second prime minister, Tun Abdul Razak, father of current deputy prime minister, Datuk Seri Najib Tun Razak.

Tun Razak was Malaysia's Master Planner. Although he was prime minister for only five-and-a-half years, he left behind two enduring national legacies: the massive land development schemes (Felda) to alleviate rural poverty and the NEP.

The NEP has two objectives. One: to eradicate the identification of economic function with race; and Two: to eradicate poverty irrespective of race.

The first objective has a sub-text:

## COMMENT BY WONG SULONG

that is to create a modern Malay business community capable of competing with the other races.

In pushing for the NEP, Tun Razak (and other Malay leaders at that time) argued that unless the economic status of the Malays was upgraded and that they had a stake in the wealth of the country, there could be no guarantee for peace and stability.

At the same time he promised that the NEP would be implemented in such a manner that no community would feel deprived or alienated. The NEP objectives are to be achieved through an expanding economic pie.

The NEP is an all-embracing social and economic programme and among its principal targets is that at least 30% of the shares on the Malaysian stock exchange are held by Malays. (It was only 2% when the NEP was introduced in 1970).

Now, nearly 35 years since its introduction, few Malaysians will deny that the NEP has been a great success in ensuring peace and stability and that all Malaysians – Malays and non-Malays – have benefited from the expanding economic pie. It's important to note that during the Asian financial crisis of 1997-98 when Malaysia faced its worst recession, there was no racial upheaval, as expe-



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rienced in neighbouring Indonesia. This is because throughout our post-Merdeka history, we have always had governments that are fair and pragmatic.

It is seditious – and that's entrenched in the Constitution and Law – to question the special Malay privileges and the NEP.

However, it's all right to debate on how the NEP is implemented. And it's the nature of this debate that occasionally the race issue shows its ugly head. Malays would emphasise on the first NEP objective; the non-Malays on the second.

In his winding-up speech at the Umno general assembly on Saturday, Prime Minister Datuk Seri Abdullah Ahmad Badawi, quickly moved to defuse a potentially divisive situation by telling Chinese newspapers not to bring up the racial issue in the debate.

The NEP, he added, was a government policy and the Government would work to complete its "unfinished job."

"We are not denying the rights of other races which are enshrined in the Constitution and which we defend. What we are doing is to work harder for the progress of the Malays," he explained.

What I find sad is that after nearly 50 years of independence and 35 years of the NEP, Malaysians are still very divided on how the economic cake is to be shared when the country is facing a

very serious challenge to its prosperity from globalisation and liberalisation.

All Malaysians must accept this fact and be comfortable with it: No government can afford to abandon the Malays and their welfare. There has always been some form of affirmative action for the Malays even in the days of the British. The NEP greatly accelerated the process.

This policy of affirmative action will continue whatever the nametag. The question is how to make it more equitable and less divisive, not only among Malaysians but more importantly among the Malays.

Malaysians must stop chasing and biting their own tails through endless argument about who gets what share of the national economic pie. Ensure the pie gets bigger, and faster, first. What is there to share if it shrinks? And it will shrink if we are not globally competitive.

Umno 2005 saw Abdullah reasserting his control over this dynamic and often factious political organisation. He must use this opportunity to accelerate his reform programme – to change the Malaysian mindset, to cleanse Umno and country of corruption, to nurture "Towering" Malays, to introduce Islam Hadhari to eradicate religious ignorance and extremism, and to transform the Malaysian economy to achieve Vision 2020.

Will history see Pak Lah as a great reformer? I hope so. The opportunity is NOW.