

SPEECH BY THE DEPUTY PRIME MINISTER IN MOVING
THE SECOND READING OF THE 'THE MAJLIS AMANAH
RAKYAT (MARA) BILL' AT DEWAN RAKYAT ON
11 NOVEMBER, 1965

With the establishment of my Ministry and the implementation of our rural development plan, we have reached a new stage in the economic development of the rural area of our country.

Whereas our rural development plan to date has sought to establish the para-structure — the roads, the social amenities — so necessary for economic development, we have now come to the stage where we have to venture into greener pastures, and devise new means to raise the living standard of the economically under-developed section of our people.

The economically under-developed are to be found mainly in the rural areas of the country. That the majority of them happen to be Malays has attracted the attention of a small, but usually vocal section of the community, who criticise the Government for pursuing what they call a "pro-Malay" policy.

Whilst I look at the problem of assisting the economically under-developed section of our people as a national problem, our critics choose to regard it as a racial problem. It is, I think, worth stressing that we cannot live in a fool's paradise; we cannot put on rose-coloured glasses and bathe in the sun-shine of our own well-being surrounded by people who deserve a better standard of life than they are enjoying at present or which our country with all its resources can provide.

The fruits of Merdeka must be more justly divided; prosperity must not only be shared equally, but must equally be seen to have been shared by all sections of our people. Or if I may put it more directly, the non-Malays cannot continue to prosper among a sea of unprosperous Malays. Recent events in some newly-independent countries in Asia with multi-racial populations make it unnecessary for me to labour the point that the task of correcting the imbalance between the economically under-community must be regarded as a national issue and not one race.

However the critics would like to look at it, it does make sense for the Government to assist in the economic development of the rural areas. We have a young and growing population. We must provide

employment for our young people. Wherever possible we should increase employment opportunities in the rural areas in order to check the human drift to the towns from the countryside in search of employment.

Now, I have spoken of Malays and non-Malays. But this is merely to follow the current tendency to regard the economically under-developed as Malays and the rest as non-Malays. I myself believe that this is an over-simplification which suits the dark purposes of the critics of the Government.

Since the establishment of Malaysia, the ranks of the economically under-developed have been swelled by the addition of the peoples of Sabah and Sarawak who regard themselves as natives and who do not wish to be referred to as Malays. For want of a better word, we have used the word "bumiputera" to include the Malays as well as the natives and most of them are economically under-developed.

I have mentioned earlier of the need to devise new means of raising the standard of living of the depressed areas. As you know there are agencies of my Ministry which have been directly engaged in economic activities which will contribute to raising the standard of living in the rural areas. Today, I am introducing a bill to replace one of the agencies, the Rural and Industrial Development Authority or RIDA, by a new organisation which bears the name of MARA or Majlis Amanah Rakyat.

I feel it necessary to set up a new organisation because as I have said earlier we have reached a new stage in the economic development of the rural areas. The change from RIDA to MARA is not a change merely of a signboard. It is a fundamental change that will be reflected in the objectives, the tasks and the activities of MARA.

RIDA had undertaken a variety of tasks since its establishment 14 years ago, from the building of rural roads, the setting up of training centres, to the granting of loans to assist mainly small businessmen. Since the creation of my Ministry some of the functions of RIDA had been undertaken directly by my Ministry. I have always maintained that RIDA should not perform the functions which other agencies and departments of Government are responsible for and are more competently equipped to perform. For example, the building of roads should be left to the Public Works Department, the establishment of co-operatives to the Co-operative Department and so on.

I have therefore decided that RIDA should be replaced by a new

organisation, MARA, which will concentrate on stimulating, facilitating and assisting the economically under-developed to participate more effectively in the commerce and industry of the country.

To this end, I have suggested that MARA be organised into seven divisions, two of which (the Administration Division and the Accounts Division) are non-operational or are common-user divisions, while the remaining five divisions are to be operational divisions. While I expect the operational divisions to work very closely together, I have decided they should be given as much autonomy as they should require to perform their functions smoothly and expeditiously.

These five divisions are the Advisory Services Division, the Industry and Commerce Division, the Training Division, the Transport Division and the Credit Finance Division. You will no doubt gather from the name of the five operational divisions that MARA will be able to assist bumiputeras who wish to participate in commerce and industry not only by providing them with the financial but also with the technical assistance that they require. But, and this is a new condition and a departure from the activities of RIDA — but MARA will insist that all those who receive financial assistance from it must also accept technical advice from MARA and must be prepared to be trained, to be supervised by MARA in whatever commercial and industrial activities they are engaged.

There is also another condition which I would like MARA to adhere to wherever possible. Its assistance should be given where it will have a greater impact on a large number of persons. I would prefer MARA to encourage individuals pursuing the same economic activities to group together and form more liable units. If MARA is to assist entrepreneurs, the latter should be those who in turn can provide employment for others. Let me be quite frank about it; MARA is not established to make individuals into big capitalist, but MARA will assist individuals who can assist other individuals to take a direct part in commerce and industry. I am not saying that MARA should not altogether assist individuals, but it must choose the individuals who have a good potential to succeed and to create employment for others.

But I would like to appeal to those who are seeking assistances from MARA not to regard it as a fairy God Mother with a bottomless pit, full of money which she will distribute continually and generously. Let them seek assistance on schemes which are economically liable. Do not think that money is there for the asking and come up with wild schemes for economic development. The assistance they get will depend on the assistance they deserve.

MARA must succeed. It is in our national interest to see that it succeeds and it should have the blessing of all well-meaning people in our country.

I would also like to say to those who are seeking assistance from MARA to bear in mind that although we want more speed in the economic development of the rural areas, we do not want more haste. Let there be more speed but less haste. Economic development has its own conditions of growth and its own momentum.