

MALAY BUSINESS



REVIVALISM THROUGH ENTREPRENEURSHIP

SHUKOR OMAR

04
U

PELANDUK

MALAY BUSINESS



PERDANA
LEADERSHIP
FOUNDATION
YAYASAN
KEPIMPINAN
PERDANA

MALAY BUSINESS

REVIVALISM THROUGH ENTREPRENEURSHIP

SHUKOR OMAR



Pelanduk
Publications

PUSTAKA PERDANA



1006274



PERDANA
LEADERSHIP
FOUNDATION
YAYASAN
KEPIMPINAN
PERDANA

Published by
Pelanduk Publications (M) Sdn. Bhd.
(Co. No: 113307-W)
12 Jalan SS13/3E, Subang Jaya Industrial Estate,
47500 Subang Jaya, Selangor, Malaysia.

Address all correspondence to:
Pelanduk Publications (M) Sdn. Bhd.
P.O. Box 8265, 46785 Kelana Jaya,
Selangor, Malaysia.
e-mail: rusaone@tm.net.my
website: www.pelanduk.com

All rights reserved.
Copyright © 2006 Mohd Shukor Omar
No part of this book may be reproduced in any form or by
any means without prior permission from the copyright holder.
Originally published as THE MALAY LOST WORLD

Perpustakaan Negara Malaysia Cataloguing-in Publication Data

Mohd Shukor Omar
Malay business: revivalism through entrepreneurship /
Mohd Shukor Omar.
Includes Index.
Bibliography: p.191
ISBN 967-978-920-9
1. Entrepreneurship—Malaysia. 2. Malays—Economic conditions.
I. Title.
338.040899923

Printed and bound in Malaysia

*To my wife, children and fellow countrymen:
Follow the river and you will get to the sea.*



PERDANA
LEADERSHIP
FOUNDATION
YAYASAN
KEPIMPINAN
PERDANA

CONTENTS

Acknowledgements

Preface

- 1 Colonial Domination and Its Effect on the
Development of Malay Entrepreneurial Values 1
- 2 Malay Values and Attitudes 25
- 3 Political Empowerment and the
Development of Malay Entrepreneurs 37
- 4 Malay Business and Politics 63
- 5 Malay Leadership 89
- 6 The Realities of Islamic Countries
and the Future of the Malays 101
- 7 The Malay Lost World 117
- 8 The Importance of the Entrepreneur 135
- 9 Understanding Entrepreneurial Success 159
- 10 Developing the Model Entrepreneur 173
- 11 Conclusion 187

References 191

Index 197



PERDANA MENTERI
MALAYSIA

12 September 2003

Encik Mohd Shukor Omar No.
8 Lorong Jelutong Kanan
Damansara Heights 50490
Kuala Lumpur

Encik Shukor,

Terima kasih kerana menyampaikan buku saudara bertajuk *The Malay Lost World*.

Pandangan dalam buku tidak banyak berbeza dengan pandangan saya.

Diharap orang Melayu akan baca buku ini.

Salah satu

Dr Mahathir bin Mohamad

ACKNOWLEDGEMENTS

THIS BOOK WAS written based on my unfinished doctoral theses for the Interdisciplinary Institute of Management, the London School of Economics and Political Science where I was enrolled in 1995. However, I was unexpectedly induced to provide consultancy services to Titan Capital Management Ltd. in London in 1996 and in 1997 was involved in the setting up of TRIM Capital Management Ltd., UK, a venture capital fund management company and was appointed as its joint Managing Director.

My fulltime involvement in the business had caused me to abandon my studies. The family and travel commitments had not made it any easier. I was drawn to entrepreneurship studies as the subject was very much related to the various responsibilities throughout my career with Petronas where I was involved in initiating new project ideas in downstream manufacturing and petrochemicals and its implementation.

As Adviser to EON Trading I had to initiate new business and develop new markets locally and abroad. My exposure to local entrepreneurs and foreign business owners and managers had somewhat encouraged me to study further the intriguing subject of entrepreneurship. My concern then was to know why many Malay Entrepreneurs failed and to further understand a host of other related questions on the subject.

I am indebted to my wife Fadzilah who has been my inspiration and a challenge at times and an accomplished mother to my children. She has been a great help in editing my work and my daughter Sharmin for typing some of the

manuscripts. I would like to thank my sister Dr Noritah Omar for editing and providing useful suggestions. My deepest appreciation is also to my parents Hj Omar Abdul Aziz and Hjh Misah Hussein who had brought me up to be what I am. My gratitude also goes to those who had contributed to complete this book.

I would also like to thank Dato' Ng Tieh Chuan for making the publication of this book possible.

PREFACE

IT WAS HARDLY nine in the morning and towards the end of summer of 1996. The sun was not on full display as the sea was. The tide was gushing in on Shoebury east beach, 300 metres away from the house I lived in. Being at the mouth of the Thames and at the confluence of the North Sea, I could see in my imagination continental Europe at the end of the horizon. I could understand why the British are insular and not very European in outlook and always wanting to have the last say on what European Union should be. The rushing tide seemed to be filling the mostly muddy beach faster than my walking pace from the boat landing point to the DTEO (Ministry of Defence depot) fence, a 100 meters away. It appeared to me the tide I used to know in Port Swettenham, Malaysia (named after Sir Frank Swettenham, the late Governor and Commissioner for the Federated Malay states), during my early primary school days in the early 1960s, was creeping slowly to fill its equally muddy shores. (Port Swettenham now renamed Port Klang or locally called Pelabuhan Kelang). It could not be that the two geographically distanced beaches of Shoebury and Port Klang, at different latitudes that dictate the Thames and the Klang river respectively to have different speed and patience to fill the shores, or was it just the 35-year age gap that explains the intolerance of wanting to see the high tide on the beaches to come to the brim. Was it me or the physical world that was getting more intolerant? Perhaps the solar system had accelerated its pace.

Watching the running waves and open sky above the glistening water was solace. The music played by the waves and their bursting air bubbles vibrated to the ears and provoked the minds. I called it tranquillity and serendipity at the same time that never fails to feed the human soul, if they ever could hear it. There were flocks of wild geese flapping on the Shoebury beach scavenging to feed on what the estuaries could offer for food, but soon enough to fill their gullets when the incoming tide filled its muddy surface, and cease the geese enjoyment and left it afloat looking like the Spanish flotilla on the high seas. Once again, the sea swept the shores with floating dumps and civilisation's waste that could originate from the Embankment or the Thames Mead. Shoebury beach cleaners will then have their share of collecting the garbage whose origins could not be determined. At a distance I could see big liners steaming their way plying merchandise and bounty traditionally I believe, between the colonies and the Docklands, port of London. Surely, the Port had been even busier and more congested with the open sea and freer trade practices between trading nations. I could imagine that one of the liners could be filled with the Proton cars coming from Malaysia. Not surprisingly, a country once colonised by the British, who for many years only knew the Austin, Morris and Hillman, Jaguars and its extinct distributor the Werne Brothers, is now exporting the Proton cars back to its colonial masters.

Proton had recently in early October 1996 bought over 80 per cent equity of the Lotus Car Company, the British sports car maker, outbidding the South Korean conglomerate, presumably Hyundai. This news I first learnt from the BBC television channel, but very swiftly read as fast as the tide that moved into the Shoebury east beach, concealing its ugly surface. Free trade had done a lot of good to a developing country like Malaysia. Struggling to find the right economic

chord, Malaysia has to date become one of the top 20 trading nations of the world. It seemed strange from where I am standing on the beach, a relatively unknown suburb of Southend, Essex, to be on the English soil to acknowledge the fact that I could not share with a community in Shoeburyness, that the time had moved anti-clockwise on the very soil of the colonial masters of the once vast British Empire. I remembered the historical fact that Britain, a country of about 95,000 sq miles with a population of 46 million in 1934, controlled a territory of about 5.5 million square miles with a population of almost half a billion people. Such was British influence in modern history. In my mind, Malaysia a slightly bigger country with lesser population but blessed with natural resources could achieve a bigger feat in terms of world trade, since we are not known to possess a history of colonising others. It occurred to me that this greatness of nations could very well be achieved through trade—free trade.

The sea has always been my source of inspiration. My recollection of the past and imagination of the future is limited by the ‘unknown’ as absolute knowledge they say is divine. Just as I look into the sea I could only see up to the point where the water is clear. Beyond which the eyes could not see, only my imagination and logical assumptions are left at my disposal. I wondered why I went to the Interdisciplinary Institute of Management, the London School of Economics to study entrepreneurship and end up in Shoeburyness. It had always been my wish to research more about the subject of entrepreneurship and to understand why Malays were not doing well as entrepreneurs. Malaysia may be developing fast, but the Malays are not.

I pondered far to get a glimpse of what the Malays would be in 50 to a hundred years’ time. Would they change to suit the world or would the world change them? What excuses would the Malays provide then? If the Malays do not reinvent

themselves and adapt to the challenges confronting them, they may very well end up in the Malay lost world.

In 2000, I was back in Malaysia, permanently. I started trading in pharmaceuticals and later had a brief stint in construction. However, I am now involved in the education business. I must say that I had learnt more about practical business in Malaysia from Chinese business friends. The Chinese have more sense of realism, always seeking opportunities and as usual hardworking. They spent most evenings of the week exchanging and sharing experiences and contacts over dinners in coffee houses or pubs. They developed and maintained networking, and seem willing to share. They don't hesitate to ask and venture into possibilities or favours to expand into new areas of business. It is like "if you don't ask you don't get", and you have nothing to lose by asking. Forthright in approach but discard self pride. They seem to know where to get value even in friendship. Generally they are reliable, consistent and have the stamina to persevere. The Malays can always learn from the Chinese, but only from point of strength. You must have something to trade to start a business relationship. The Malays need to develop this acumen of exploiting opportunities into dollars and cents. But most of all the art and ability to stay long in a business must be learned. There is a lot to learn from the Chinese either here in Malaysia or elsewhere. The Malays must learn and discover themselves from the inside out. Any change must come from the inside of the individual, not by being forced from the outside if it is to be long lasting and meaningful.

DATO' MOHD SHUKOR OMAR

shukor@kmb-education.com.my

Kuala Lumpur