

Daim: Malays Don't Know How To Do Business Anymore

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KUALA LUMPUR: The Malays have been stripped of their business sense by centuries of colonisation, said Tun Daim Zainuddin who also blamed Datuk Seri Anwar Ibrahim for his policies when the latter was finance minister.

In an interview with Malay daily Berita Harian, Daim, who was Anwar's predecessor in the Finance Ministry, accused the latter of using the approach of giving away company shares, which he said had enriched the former deputy prime minister's allies.



Tun Daim Zainuddin (PIC: AFP)

"So Malays at that time thought it was easy to get rich and that they didn't have to get into business," Daim was quoted as saying in the interview published today.

"You support Anwar, you support the finance minister, you get shares. Then you sell them and you become rich. The Malays no longer had business management skills. That mentality came about then and it still exists till today," added the former finance minister.

Daim also blamed historical events for the inability of Malays to become businessmen, noting that the East India Company had first colonised the region four centuries ago in the 17th century, and that the British discouraged the Malays from engaging in business and told them to remain farmers and fishermen.

"After a long time of being uneducated, then only the Rural Industrial Development Authority (RIDA) came about in 1951, but even then, it only managed businesses in the rural areas. How many people actually become rich as a result of running businesses in rural areas? The wealthy live in Kuala Lumpur, and that's the same in other big cities around the world," said the 76-year-old.

RIDA has since been replaced by the Indigenous People's Trust Council (MARA).

The then senior minister in the Mahathir administration pointed out that all of Malaysia's 10 billionaires live in the city, while the Malays still generally reside in the countryside.

"Only one per cent of Malays have commercial land in the city," said Daim.

"This is very worrying. In fact, Malays now can't afford to buy land in the city. We give it to UDA, and they sell it to Chinese businessmen. Under MRCB, which is developing KL Sentral, almost no Malays have bought property there," he added.

Daim then said Malaysia would eventually become like Singapore.

"Look at the Iskandar development, Penang and a few other places. Don't talk about the Chinese, even

Malaysians as a whole can't afford to buy property because they cost millions of ringgit," he said.

The former finance minister also said there were now too many government agencies pushing the interests of pro-Bumiputera businesses.

"The government is not good at doing business. The government just knows how to rule. So why are they giving money for this and that? What does the government know about business?" Daim questioned.

"To me, we should be taking Malay businessmen who are successful in the private sector and asking them for ideas on how to create more successful Malay entrepreneurs," he added.

Malaysia practises a pro-Bumiputera affirmative action policy that began with the now-defunct New Economic Policy (NEP) that critics say has harmed the country and the Malay community's competitiveness through a culture of rent seeking.

Daim also said the prime minister should not hold the finance portfolio because running the country's economy was a complex and time-consuming job.

"The prime minister should be ruling the country and giving a vision, while the finance minister does the work. If there are lots of problems and if we slip up even just a little, the country will be ruined. Look at Argentina. It used to be rich, but look at it now," he said.

Historically, the Malaysian prime minister did not used to hold the finance portfolio, but Tun Dr Mahathir Mohamad took up the post in 1998 after sacking Anwar, after which his successors Tun Abdullah Ahmad Badawi and Datuk Seri Najib Razak, the current prime minister, continued the trend of being finance minister.

-The Malay Mail