

# All aboard and full steam ahead?

DATUK Seri Abdullah Ahmad Badawi was in good form when he spoke to the captains of industry at the Kuala Lumpur Business Club dinner on Monday night. His message to business: Get on board and full steam ahead.

I reckon he won over not quite a few sceptics in the audience with his candour and humility. But like he said, his was not to cater only to what the audience – movers and shakers in the corporate world no less – wanted, but to the larger constituency outside the affluent Klang Valley, or else he would be “out of business.”

The Prime Minister told the business sector to stop grumbling about the lack of contracts. That was in the past when the Government had to rein in spending to prevent the budget deficit from getting out of control.

But now, there are plenty of opportunities in the Ninth Malaysia Plan for business. The Government and the

**COMMENT  
BY WONG SULONG**

private sector must move full steam ahead to seize the opportunities.

Before the Asian financial crisis, the private sector was the engine of growth; now it should lead the charge again, but only if it recognises the greatly changed global landscape and equip itself to meet the global competition.

Under the 9MP, private investment is expected to grow by 11.2% a year, a high but achievable target.

If the Prime Minister's speech was a clarion call to business, his replies during the Q&A session were candid and revealed the limits that even a prime minister has to contend with.

His biggest achievement in his 30 months as premier, he told a questioner, was that the country has

enjoyed peace and stability because it's upon these requisites that all sections of society can chart their progress.

His biggest frustration: delays and wastage in implementation of government projects as highlighted by the scandalous state of the Kuching prison project. Nine years and RM200mil and it's still far from ready.

There were questions about his leadership style. He made it clear he was not into building “great monuments and glittering cities”. He noted that his openness to allow more debate and criticism had been interpreted by some observers as him losing control. We have seen ministers talking out of tune, government departments issuing contradictory directives, and even junior officials showing defiance. However, Pak Lah stressed he would have the last word.

The main subject occupying the minds of the audience was the Go-

vernment's policy on the award of contracts.

Here Pak Lah was frank. Most in the audience would like to hear from him that in future all government contracts would be awarded through open tender. But the Prime Minister told them that there would be contracts given out to companies because they have undeniable competency; some contracts would be awarded on a negotiated basis, while others would be by open tender.

But one thing is clear: there would not be any corruption or abuse of power. And rules will not be changed mid-stream.

I am glad the Government has decided to promote a new form of partnership between the Government and private sector through private finance initiatives (PFI), something that had been adopted successfully in Britain.

Basically, PFI works this way: Say the

Government does not have money upfront for a project. However, it agrees to pay rent for the facility, say a hospital, for 40 years. With this guarantee, the private sector and banks can structure a financial package that will allow the project to be built.

The PFI system is not to be confused with the “concession agreements” of the past, where in many cases private promoters were guaranteed big profits, while losses were cleverly shifted to the Government and ultimately the tax payers.

I believe Pak Lah has made a convincing case for the private sector to shed its hesitancy, scepticism and perhaps, in a few instances, even cynicism, and join the Government in the national mission to make the 9MP a success. If the Plan is a success, business will be the first to benefit.

So if the Prime Minister is willing to walk the talk, what is business waiting for?