

## Interview with CEKU

Written by Tengku Razaleigh Hamzah  
Saturday, 04 December 2010 00:00 -

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On a sunny Friday afternoon, Tengku Razaleigh Hamzah agreed to meet 4 youths, who were very eager to listen and learn from the elder statesman who changed the face of Malaysia. Affectionately known as 'Ku Li', the MP of Gua Musang and longest serving MP in Malaysia's history, as well as the founding father of Petronas, a company which today supplies 40% of the country's revenue, greeted Arafat, Dimishtra, Yong Lik and Aimran with an unexpected air of humility for someone with such achievements to go with his name.

Tengku Razaleigh shared his views on the Malaysia Plans and the removal of subsidies, strongly supporting the objectives of the reforms, but opposing the methods of how they were executed. He also emphasized the importance of ridding the country of corruption to optimize the function of government policies.

**Dimishtra:** *The emphasis of the NEM is to shift the bulk of market activity from public to private hands. □ Does this mean the 5yr Malaysian Plans are an anachronism?*

**TR:** Well, there are a lot of problems indeed with the plans, but this is what the late Tuanku Abdul Rahman and Tun Razak believed in because we did not have anything at that time, and therefore these plans were initiated to ensure that whatever scarce resources we had were to be allocated efficiently. Not only were our resources and money very limited back then, but at that time we were also up against the communists, so this made our life very difficult. The only resources that we could depend on back then were tin and rubber. Factories were unheard of except those small ones that produced rubber boots and what not. But now that we have money, this does not mean we can go and spend it unwisely; the government still has to take responsibility and carefully plan out how we want to go about achieving things. So if we want to leave it to the private sector, they would want to only look at the bottom line and not at the whole picture because they have their shareholders' interests to look after. They won't care if they made baby food which stunted one's growth as long as they made money (laughs). The government, however, has to look at the overall picture and ensure that whatever is given out is actually good for the people. So with all these public goods needed to be taken care of, the government has to ensure it is spending wisely since resources were scarce.

In terms of Societal Development, every dollar spent had to go back to the people. Where there were areas where the private sector could not look into, such as education and defense, there had to be government intervention. So they came up with the 5 yr plan, and the 5 yr succession

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plans followed, which depended on the current development at the time.

Why did the government waste all that money with places like Putrajaya and KLIA when the demand was not really there? Why?

Firstly, it was inconvenient for people who had to relocate very far away. It separated children from their friends and uprooted them to a place where security was barely tested. Global examples like Canberra and Brasilia had shown that it would not work, being flops.

Secondly, the RM40B could have been spent more wisely. Now we complain that Singapore enjoys higher living standards than us. We have to realize that all this oil money will one day run out. We have to ensure we use this limited resource in the best possible way.

Why are we obsessed with joining these “catch up” games of building the tallest building or biggest flag? One day, somebody WILL eventually beat you. What you want is to ensure that your family has a good standard of living, their morals are high and everybody is educated. That is worth much more than having the biggest this and that.

These things are debatable. Whatever it is, we don't have much yet; we're still a developing country. We have a long way to go. Not everybody has access to education, everyone knows that. And that's why this racial thing – how Malays get scholarships, non-Malays don't; now we're trying to rationalize it and put it right... but why should you throw away what you had worked on before? I don't mean 'throw away' like throwing it in the tong sampah but we could have used that money used to put the problem of scholarships right for better things instead; for the people. With how the oil prices have been faring for the last 5 years there is no reason why we should run up those deficits that we had.

We should have had reserves but we don't have them, unlike Singapore which has nothing (in terms of natural resources) but they have big reserves, hundreds of billion of dollars.

**Arafat:** *is it true that in the 5 years that Pak Lah was in power we had more revenues in terms of oil money than what Mahathir had over the 20years he was in power?*

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**TR:** Yes, that's true but we have nothing to show from those 4-5 years.

**Yong Lik:** *It has been said that the 10th Malaysian Plan is just a continuation of the 9th Malaysian Plan. □ Is that true?*

**TR:** Well yes, the 10th MP is pretty much trying to finish off the projects that were not finished under the 9th MP.

**Dimishtra:** *What do you think of the recent activities in the removal of subsidies?*

**TR:** I think it is good. I totally agree with what has been done. First of all it is not sustainable. Also, although it does help the poor, when subsidies are given it is not only the poor who benefit but the rich as well. The rich at times even benefit comparatively more from the giving of subsidies. The case in point is the ownership of IPPs. They benefit a lot more from this giving of subsidies, compared to households who need to buy sugar and farmers who need to buy fertilizers and what not. So it is certainly not fair that these big players are receiving millions of ringgit when the poor do actually need it more. But if the government does want to attack and solve a problem and try to retain a certain amount of money allocated for subsidies they should attack corruption. Not only is it wasting a lot of money but most of this money might have also been brought out of the country, thus decreasing the multiplier effect that it would otherwise have had on our economy.

**Arafat:** *But talking about all these households not getting the sugar they need at the subsidized prices, I've heard stories that if you go to Kelantan at the border you will not be able to find sugar, but if you travel 5-10km into Thailand there will be loads of our subsidized sugar there. So shouldn't we tackle this issue first?*

**TR:** Yes true, but I think if possible we should tackle all the problems together. I mean, you have fishing boats which are smuggling subsidized diesel out of the country. These boats are modified in a way that makes them look like any ordinary fishing boats. But in reality, the whole of one of these boats is like a tanker where they can store diesel. So they will fill it up and then travel out of the country to re-sell the subsidized diesel. Some go to the Gulf of Thailand to

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re-sell the diesel but some also make their way to Bangkok to re-sell the diesel to the power plants there.

**Arafat:** *Don't you think that the government should cut spending on themselves first before cutting subsidies?*

**TR:** I support that.

**Arafat:** You see them buying new cars every year, leading to unnecessary expenditure. I just think it's a waste of money. You should cut expenditure on yourself first before dumping the burden onto the people, no?

**Aimran:** *Why was corruption not as rampant as it is now back then in the 50's, based on the stories that you have told us?*

**TR:** Well basically back then there was nothing. First of all, there were not a lot of materials to be owned so people did not really bother to make much money. And secondly, people back then were more focused on trying to save and serve the country rather than trying to fulfill their own desires. Our Prime Minister back then for instance was making only RM3000 something with the tax rate being at 45% and most of the civil servants were making about RM200-300. People were not earning much but were contented with what they had. They saw the bigger picture of serving the country being more important than all the materials around them. For example, take a look at Gandhi. He fought for his country with all his heart and he wasn't given a lot of material wealth to do it; in fact, he even made his own clothes. I am not suggesting our Ministers should start weaving their own clothes but if you get the big picture and your heart and mind are clear of all ill intentions then there should not be a problem.

link:<http://www.ukeconline.com/CEKU/?p=38>

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CEKU, a United Kingdom and Eire Council of Malaysian Students (UKEC) publication which serves as a platform for Malaysian students to contribute to intellectual thought while advocating for common hopes and beliefs, explores this national enigma through its facilitative role, which establishes its relevance as an avenue for student voices to be heard