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BUMIPUTRA INVESTMENT
A CRITICAL APPRAISAL IN THE CONTEXT OF
ACHIEVING THE OBJECTIVES OF NEW ECONOMIC
POLICY BY 1990.

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PREFACE

This report is an individual project presented as a "Graduation Exercise" in fulfilment of a Business Research Paper. The Report focus on the New Economic Policy regarding the Bumiputra participation in equity investment of assets and wealth in the country especially in the industrial and commercial sectors.

An attempt is made in this report to outline the general problems faced by the Bumiputra Community, to evaluate the hypothesis to analyse the findings and to expose the present economic situation of our country, regarding the achievement of Bumiputra participation, in line with the objectives of the New Economic Policy. Problems and issues - particularly those relating of assets and wealth in the country and the lack of Bumiputra participation in the economic sector are discussed and remedial measures suggested.

It is hoped that this report will be of value and useful not only to the Bumiputra community but also to the Government Institutions and other agencies.

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I.T.M. Shah Alam.

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GENERAL VIEW OF NEW ECONOMIC POLICY

The Objective of 30% economic sector

The first part of the New Economic Policy is to eradicate poverty by increasing the level of income and to expand the job opportunities to all the people irrespective of race. These objectives can be achieved by generating employment and increasing productivity and income to those in low productivity areas and also to provide various services especially for those in the lower income groups.

The second part of the NEP contains the objectives of restructuring society and eliminating the identification of race with economic functions. One of the important aspects of economic imbalances which can be easily identified is through the ownership and management of wealth and assets in our country.

The objective of NEP with respect of share capital ownership by 1990 are, Malay and other indigenous groups will own at least 30%. Other Malaysians or Non Bumiputra 40% and foreigners 30%.

In 1970, the available data of the structure of the ownership of wealth and assets shows that the foreigners