NOT many know that the idea of a national fund for higher learning was first mooted by Royal Professor Ungku Aziz 39 years ago in a memorandum he presented to the government.

This was the same thinker who suggested the setting up of what is known today as Tabung Haji.

A year later, in 1974, I joined the University of Malaya as an undergraduate. It was a tough time for a student who received an annual RM1,500 scholarship from a state government. The amount was barely enough to pay for the fees, let alone to survive in Kuala Lumpur, even though the cost of living was much lower then.

I had to work part-time, so too many of my friends whose parents were poor. We were disillusioned with the unfairness of the scholarship system at the time.

That triggered my desire to support Ungku Aziz’s proposal. Study loans were unheard of at the time. There were only a handful of public universities and an Institut Teknologi Mara (now UiTM). Everyone believed it was the students’ birthright to be guaranteed a scholarship.

Ungku Aziz, being a contrarian, believed otherwise. He envisioned a time when there would be many more public universities and hundreds of thousands of students.
The existing system would not be practical in the long run. It would be a massive burden to the government to provide scholarships forever.

He suggested a *Tabung Siswa* (Students' Fund) with a modest amount of RM3 million to start a revolving fund. The total given out as scholarships to students back then was about RM12 million a year. According to his calculation, the fund needed RM6 million in the second year, RM9 million in the third year and RM12 million for the fourth and fifth years.

By the sixth year, students will start repaying their loans and that will bring in a sum of RM1.78 million. By then, the government will have to allocate RM10.22 million. By the 12th year, there would be no need for an injection from the public purse.

The model was not perfect, perhaps a bit too conservative at the time. But it could have been a workable model with some fine-tuning.

Ungku Aziz predicted that scholarships would be a contentious issue in years to come. He was absolutely right.

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Ungku Aziz was right on providing loans to students

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The Mingguan Malaysia piece which appeared on June 15, 1975.

**Headline** | Hypocrisy behind move against loan scheme
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I believed in Ungku Aziz’s model and I wrote in support of it. My article, “*Gantikan sistem biasiswa kepada sistem pinjaman*”, appeared in Mingguan Malaysia on June 15, 1975. It created an uproar. It was a bad, bad idea for many students.

Ungku Aziz’s suggestion died a natural death for no one took it seriously. There were, at most, 30,000 students in all the public univer-
At a time when the plight of the rakyat became the core of student activism in the 1970s, I deserved a pat on the back. I was sure even student leaders like (now Datuk Seri) Anwar Ibrahim fully supported Ungku Aziz's idea. Little wonder the current National Higher Education Fund (PTPTN) saw the light of day during his time as deputy prime minister and minister of finance, as pointed out by Tun Dr Mahathir Mohamad. The act was passed in 1997.

Perhaps Ungku Aziz's suggestion was not even incorporated in the current PTPTN scheme, but the fact remains, the spirit and principle had not changed. In fact, had Ungku Aziz's model been used, we would not be burdened by the issue of repayment as we are now.

The laxity of enforcement against defaulters at one time was strangling PTPTN. The number of students who have taken a loan is 1.9 million as of February this year, the amount totalling RM43.6 billion.

When Ungku Aziz made his suggestion in 1973, arts and humanities students would be comfortable getting a loan of RM2,400 a year or RM7,200 over three years. Today, the average loan per borrower is RM22,000 or three times that.

I regret the politicisation of this scheme and the hypocrisy behind the move against it. I supported the plan wholeheartedly back in 1975 although I was not privy to it. Let's get real; it is the only workable and sustainable fund that will benefit all and lessen the burden of the government in educating the people.

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