

# CEO MALAYSIA

Strategy in Nation-Building

HNG HUNG YONG



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## Preface

Dato' Michael Yeoh  
*Chief Executive Officer*  
*Asian Strategy & Leadership Institute (ASLI)*

DATO' Seri Dr Mahathir Mohamad is a visionary, a pragmatist, and an icon. He presided over the longest period of economic expansion in Malaysia—almost a decade of nearly 8 per cent annual growth. Despite the current economic slowdown, his vision of Malaysia becoming a fully-developed nation in the next millennium has not diminished. His pragmatic approach to leading a multi-racial nation has brought peace, stability, progress and prosperity. His 17 years of premiership has made him somewhat of an icon. To the younger generation of Malaysians born in the early 1980s, they have known no other prime minister other than Dr Mahathir. As a visionary, his style is rather unconventional. He dares to think of things and introduce major changes that few prime ministers would attempt. Yet as a pragmatist and a realist, he recognises the need to win support for his new way of doing things.

The Mahathir Way has transformed Malaysia. It has positioned Malaysia in the international arena. Today, more people in many more countries know of Malaysia and of Dr Mahathir. His frank views and outspokenness have not only brought him many admirers but also critics. Many respect him for his forthrightness. His achievements and successes are analogous to Ma-

Malaysia's emergence as an Asian economic powerhouse up to 1997. Despite recent setbacks caused by the currency and stock market crisis, Malaysia is still in a better position than her neighbours to rebound back. Despite Dr Mahathir's strident attacks against currency manipulators, there is increasing support for his views not only amongst developing countries but also in the developed world. Even George Soros and Michel Camdessus, Managing Director of the International Monetary Fund (IMF), have recognised the need for some form of regulation and greater transparency in currency trading. The Second Asia-Europe Meeting (ASEM II) in London in April 1998 also endorsed Dr Mahathir's view of "speculation-induced instability" in the international financial system. The World Bank and the IMF have come to recognise the need for a new international financial architecture.

● George Soros recently wrote that "the private sector is ill-suited to allocate international credit. Moreover, it is not concerned with maintaining macroeconomic balance. Its goals are to maximise profits and minimise risks. This makes it move in herd-like fashion in both directions. It follows that international capital movements need to be supervised and the allocation of credit regulated by an international authority". These words vindicate Dr Mahathir's stand.

In Dr Mahathir's long political career, he faced four major tests. The first test came when he was expelled from Umno by the then party President and first prime minister of Malaysia, Tunku Abdul Rahman. The second test came after the death of the second prime minister, Tun Abdul Razak, who was sort of a "protector" of Dr Mahathir. After Tun Abdul Razak's death, some quarters within Umno tried to implicate Dr Mahathir in a communist conspiracy. The third test came after Dr Mahathir became prime minister when in 1987 he was challenged by Tengku Razaleigh Hamzah for the Umno Presidency. The fourth test was when Dr Mahathir came under intense attack by the foreign media following his criticisms of the involvement of market manipu-