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Of the Mongols and Dr Mahathir

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THE Prime Minister, Datuk Seri Dr Mahathir Mohamad, once told this writer that he was not a good businessman. He went on to recall his Maha Clinic days in Alor Star in the 1960's, when he was always in deficit at the end of the month despite attending to many patients.

'On the other hand, my partner at the clinic always had a surplus. He treated about the same number of patients as I did but he was very particular about keeping track of his income and expenditure. I am not good at details. I left these things to other people,' he said.

That might be so with Dr Mahathir the private medical practitioner in Alor Star. But a failure he was not.

If fact, from his humble beginnings as a teenage trader at the Pekan Rabu in Alor Star in the 1940's, he went on to become a world class economic manager.

I dare say this despite running the risk of being labelled a toady and a sycophant, and an apple-polisher or obsequious hanger-on by the likes of 'I, the Joker, the Great Tea Drinker', from whom I have not heard for quite some time.

If indeed Dr Mahathir failed as a businessman, he certainly did not want others to suffer the same fate. Thus in 1973, he wrote a guide book, Panduan Peniaga Kecil, or The Guide for Small Businessmen (Dewan Bahasa dan Pustaka), in which he outlined the rudiments of good business management.

In the preface, he, among other things, wrote, 'The lack of participation by the Malays and other Bumiputeras in business has been a source of concern in our country.

'This situation has been recognised as unhealthy not only to the Malays but the country as a whole. The changes in the attitude of the Government and the people towards this problem have sparked widespread discussion within the Government and among the people.'

Of the book, he said: 'The methods suggested in this small book may not be fail-safe but they are based on the prevailing facts and reality which had proven to bring success.'

Dr Mahathir's effort, which came after his controversial and banned The Malay Dilemma, was welcomed by none other than Tengku Razaleigh Hamzah, who was then the president of the Associated Malay Chambers of Commerce.

The man who would later on become one of Malaysia's best-known Finance Ministers and Dr Mahathir's most eminent political challenger, in his forward to the book, described it as an important contribution to the emerging Bumiputera business community.

He said: 'This is in view of the fact that many Bumiputeras had responded to the Government's call to play an active role in business under the New Economic Policy.

'Thus, it is timely that a book such as this is published to help small businessmen, most of whom are new in the world of business.'

He went on to congratulate Dr Mahathir for putting in more than two years of effort to write a book 'which is very useful to all of us'.

The book was updated and reprinted twice - the last was in 1986. Apart from the usual topics on book-keeping, capital-raising and facing up to competition, Dr Mahathir also wrote about trustworthiness and integrity, advertising and promotions and, in later editions, franchising.

A leaf from Genghis

Today, Dr Mahathir is unquestionably the most successful economic manager the nation has ever known. Against all odds and accepted conventions, he forced the Malaysian economy to leap-frog.

When he took over the Government in 1981, the country had a population of 14.1 million, a Gross Domestic Product (GDP) worth RM29 billion and a per capita income of RM4,088. Exports accounted for 57.7 per cent of GDP.

Twenty years on in 2001, Malaysia had a population of 23.8 million, a GDP of RM214 billion and, despite the recession of the mid-eighties and the 1997 regional economic crisis, the per capita income rose to RM13,333. Exports as a percentage of GDP rose to a whopping 181 per cent.

Despite his huge success, Dr Mahathir still thinks of himself as a failure - in relative terms, of course. Most of all, he thinks he has failed to change the mindset of the people.

But Dr Mahathir is not alone in entertaining such a feeling. All successful leaders, past and present, feared they had not done enough or that the future generations would not appreciate what they had done.

The founder of the Mongol Empire, Genghis (Chingis) Khan, on his death bed said: 'My descendants will wear gold, they will eat the choicest meats, they will ride the finest horses, they will hold in their arms the most beautiful women and they will forget to whom they owe it all.'

In the early 1200's, Genghis, with the power of the sword and brilliant military and political strategy, united the Mongol tribes into one of the finest fighting forces in the history of mankind.

By the time of his death in 1227, he had built the largest land empire that stretched from the Pacific in the East to the Carpathians and the Euphrates in the West.

Had it not been for the early death of his son Ogedei and his grandson Mangku, historians believe the Mongol Empire would have reached the Atlantic.

A deed, said the Great Khan, is not glorious until it is done. And finally he said: 'It is clear now that we must part and I must go away. Listen to the words of the boy Kubilai (Kublai Khan), they are wise: he will one day sit on my throne and he will bring you prosperity as I have done.'

Of attitudes and values

Of late, the Prime Minister has been saying a lot about the attitudes and values of Malaysians. He wants them to have healthy attitudes and good values.

Despite his misgivings and harsh indictments, today's Malaysians are imbued with many good values and qualities. To begin with, they are proud to be Malaysians.

Even for the much-criticised Malays, the value system has changed for the better. To begin with, not all Malays practise negative values.

Putting the damaging schism of Malay politics aside, the Malays have changed for the better. They are more educated, economically stronger and generally more confident. They may not be as successful as the other Malaysian races, but they are not a failure either.

Setting aside the few corporate Malays who seem to be the object of derision of all and sundry, the Malays are far from routed in the business world. There are many Malay corporate leaders and ordinary businessmen who are holding their own.

They continue to inspire a whole new generation of young Malay businessmen, business executives and professionals. Even among those who failed, some did not do so because they were bad businessmen.

They failed because the system that gave birth to them and nurtured them in the last so many decades was undermined and destabilised by the 1997 regional economic crisis.

True that they depended too much on government contracts and borrowed too heavily, but such was the situation not only in Malaysia but elsewhere in the region, for much of the booming 80's and 90's.

It was not only Malay corporate giants who depended on public-sector projects and borrowed heavily to carry out their multi-billion ringgit contracts, an even larger number of non-Bumiputera businessmen did the same.

Still, competing with the Chinese and other more established businessmen was never easy. They may have the professional skills and business acumen, but capital remains the Achilles' heel of the Bumiputera business community.

And with the Bumiputera businessmen being persistently maligned in the media, the road to recovery is that much more difficult, even for the genuine and hardworking ones.

They are suffering from a crisis of confidence. On the one hand they are less confident of themselves while on the other, not too many non-Malays are confident of them.

The stark reality is that while many Malay professionals have the knowledge and management skills to venture into business, they are no match for the non-Malays, especially the Chinese, when it comes to capital and business contacts.

In today's business, capital is everything. With capital, knowledge and technology can be bought. A financier can become a media tycoon overnight by sheer strength of his cash. Cash, after all, is king.

The Chinese businessmen are so good at networking that they are able to navigate their way through the web of bureaucracy - which incidentally is controlled by the Malays - with greater deftness and agility than their Malay counterparts. A game of golf or a karaoke night out does wonders.

Fortunately for those in business, the Mongol era is long gone and Mongol values are not anymore practised.

Under the Mongol's law, the death penalty was prescribed for merchants who allowed themselves to go bankrupt for the third time. Phew!