

# All 'Ayes' on new helmsman Pak Lah

The battle against Pas is not just a religious and economic one; it is fundamentally a political dispute about the nature of Malaysian society upon which this nation is founded.

## THE BIG PICTURE

MUNIR MAJID looks at the challenges that Prime Minister Datuk Seri Abdullah Ahmad Badawi will face and the legacies of the Malaysia's past four leaders.

NSR 01/03

**A**FTER a long transition, Datuk Seri Abdullah Badawi is now Prime Minister of Malaysia, the fifth since Independence.

In getting there, he has shown great patience and fortitude, taking the rough with the smooth, going through ups and downs in a political career distinguished by general popularity, in or out of favour.

A man of strong religious belief, he is supported by a close and loving family, and by abiding friendships. He, in turn, always remembers family and friends.

He is warm, nice and well-liked, something which leads some to question whether he has that killer instinct, the ability to be nasty when necessary.

With the long shadow cast by the 22 years of the distinguished career of his predecessor Tun Dr Mahathir Mohamad, who had an imposing leadership style and an unapologetic approach in the exercise of executive power, such questions are asked and comparisons are made.

No such issues were raised when Dr Mahathir himself succeeded the late Tun Hussein Onn, who was Prime Minister for only five years, thrust into power by the sudden

Ibrahim thought he was. He introduced big, seemingly outrageous ideas, but brought them to reality, sufficiently in literally monumental constructions, for all to see, savour and relish. He absolutely knew how to employ and deploy the instruments of political and institutional power, to assert authority and to deflect criticism and challenge.

Assuming some level of political consciousness takes root at the start of secondary school, fully 68 per cent of Malaysians who are 35 years old today, have known no other leader and Prime Minister than Dr Mahathir. His achievements are great, he looms large and he has personified the Malaysian political reality to the overwhelming majority of Malaysians.

## Style And Substance

It is against this background of Dr Mahathir's achievement and dominance that Abdullah comes to the scene as Prime Minister. Three Deputy Prime Ministers had fallen by the wayside during Dr Mahathir's time. Pak Lah survived by giving no cause for Dr

and untimely death of Tun Abdul Razak in 1976, and **not** by a long chalk making the same **impression** and imprint that Dr Mahathir **has**.

Soft-spoken and not one capable or inclined to make rousing speeches, Hussein was a stickler for detail and took his time to make decisions. But he was stubborn enough and unyielding once he had made those decisions, as the foreign oil companies operating in Malaysia would testify, or those at the wrong end of the stick in his commitment to the rule of law or to the security of the country.

One thing not often remembered is that Permodalan Nasional Berhad (PNB) was set up during his time, an institution which is the world's largest unit trust fund, and which was the main vehicle that originally uplifted Bumiputera ownership of the corporate sector.

Still, his time passed by without too much fanfare, certainly in large part because of the achievement and length of his successor Dr Mahathir's tenure.

In contradistinction to the relative and uneventful calm of the short Hussein years, Dr Mahathir came in with a string of initiatives — clock forward, name tags, Look East, Buy British Last — and, in his time, founded economically modern Malaysia at a frenetic pace, from heavy industrialisation and infrastructure construction to ICT, cyberspace and the beginnings of the New Economy.

He gave Malaysians a sense of pride and self-belief, hectored and lectured, at home and abroad, made Malaysia known and sometimes notorious, put it on the map and, sometimes, on the mat.

Dr Mahathir was an intellectual populist, even if not every intellectual's intellectual, in a more effective way than Datuk Seri Anwar

Mahathir to discern any impatience to succeed him, while giving no hope to those who might wish to challenge him as anointed successor.

However, scrupulously playing second fiddle, has invited a comparison with Hussein, more than with any other Prime Minister of the past, certainly not with Dr Mahathir.

This comparison with Hussein is superficial and premature. Pak Lah is no reluctant Prime Minister, no seat warmer and his time not an interregnum.

It is only now that Abdullah is Prime Minister in his own right. Any estimation of his performance can only be made from hereon.

My expectation is that, if comparisons have to be made, Pak Lah would be Prime Minister more in the mould of Razak than anybody else — both in terms of the change of style from the previous Prime Minister and in terms of the nature of profound challenges facing the country.

Razak led the country out of a deep failure. Pak Lah leads it after heady success has pa-

pered over cracks that will have to be attended to if the country is to get on with the unfinished business and agenda of becoming a modern, developed nation by 2020 in the full sense of the term.

Pak Lah's style will not so much determine the success in facing those challenges, as the energy and ingenuity in confronting them.

When Razak became Prime Minister in 1971, even before that, when he became Director of the National Operations Council

(of which Pak Lah was the Secretary) after the racial riots of May 1969, there was a daunting political and economic agenda facing him.

Pak Lah faces a similarly huge agenda but, like Razak, he has the advantage of many years of governmental experience.

Razak succeeded the Father of Independence, Pak Lah the Founder of

□ TURN TO F2, COL 1

# Realities of international

□ FROM F1

Modern Malaysia.

The first Prime Minister Tengku Abdul Rahman bequeathed two precious, irreplaceable values to the country: sovereign independence and multi-racialism. Dr Mahathir, national pride and economic achievement, but also a huge aspiration yet to be achieved.

The Tengku brought the races together which had previously lived in separate communities in typical colonial divide-and-rule paradigm to found Independence and a new nationhood, an outstanding feat which, thankfully, till today we continue to be proud of. His faith and belief in multi-racialism never once waned.

But he floundered on economic policy, putting at risk that very multi-racialism. His amiable *laissez-faire* approach neglected racial income disparities and the huge gulf in the levels of participation in the modern sector.

The economy was dominated by the Chinese and the Europeans, with net outflows of profits sometimes reaching over 60 per cent of gross domestic capital formation.

While there was steady GDP growth of 6.8 per cent between 1961-70, there was a significant downswing from 1965, which became more pronounced between 1967-68, as rubber and tin prices declined, hitting smallholders, while also affecting government revenue and curtailing development expenditure.

Malay economic deprivation and uncertainties received a severe political jolt from the result of the May 1969 general election, which highlighted the nexus between political power and economic achievement that the Tengku did not recognise.

Razak had to pick up the pieces from the racial riots that ensued. Democratic Government was suspended so it could be revived; the New Economic Policy was introduced so that multi-racialism could survive.

While Razak was not Prime Minister for all that long, he succeeded in bringing Malaysia out of its darkest hour and left an imprint that was to form another basis to Malaysian

nationhood.

## Pak Lah's Challenges

Abdullah, on the other hand, does not have to bring Malaysia out of a crisis, as Razak did, but he has to fulfil the expectations of success in a difficult and highly competitive global environment at a demanding time of transparency and accountability after the high growth rates of low hanging fruits had been achieved.

He has to oversee nothing short of a transformation of political, social and economic thinking among Ma-

have to give it sufficient pronouncement to keep Pas off balance.

On the other hand, the realities of international politics, with which Pak Lah has also been closely connected, require a deft touch and a steady hand to ensure that while Malaysia can punch above its weight, it does not take on one weighty champion too many.

On the purely domestic front, Pas has always offered an alternative alien and dangerous to our political system, racial peace and economic advancement. The Pas hudud in Kelantan and Terengganu deface the

**There should be established a Services Development Authority, like Mida in manufacturing, to promote and approve services sector activities in the economy with minimum regulation.**

laysians, when they are being exposed to all sorts of promise in this Age of the Internet and seamless communication.

He has the achievements of all four previous Prime Ministers to build on, but he has also to chart his own success. He has to be, and has to be given, the chance to be his-own man.

With both the Americans and the terrorists running riot, there is a polarisation in the world, between the West and Muslims, who form the majority in our country.

The sense of grievance widely felt against American unilateralism and militarism, finds a comfort zone in the appeal of extremist Islamic policies which, in Malaysia, is personified by Pas, and can no longer be satisfied by economic promise alone.

While Pas has always offered a domestic solution based on Pan Islamic appeal, it can now point to it as a matter of necessity. Dr Mahathir's sharp outbursts against American excess also served to take the wind out of Pas' sails, but one wonders what Pas will do in the absence of such rhetoric.

It is true Dr Mahathir was expressing in his own way Malaysian policy; it is also true Pak Lah will

Malaysian constitution in an intolerable manner.

There must be legal action against them which sends a clear signal that Malaysian laws cannot be violated by any putative Islamic construct. Pak Lah's administration must do what is right and must not be scared off by the spirited waving of the alleged Islamic banner.

Up till now, Pas has been confronted in its own terms and its supporters with economic largesse. It hasn't fully worked. You can take the money and turn your support elsewhere. There has to be an attack on the political mind which economic determinism alone cannot satisfy. The Umno mind, therefore, has to be improved, not just to take on Pas, but also to arrest deterioration in the mind of the Malays, which would expose them in the brutal global environment.

Malaysian multi-racialism has been under attack by the kind of thinking and behaviour the Pas appeal encourages. It has reached Umno households, and got into national schools. The battle against Pas is not just a religious and economic one; it is fundamentally a political dispute about the nature of Malay-

# politics require a steady hand

sian society upon which this nation is founded.

Pak Lah has on various occasions underlined Malaysia's essential multi-racialism. He will now have the not easy opportunity to ensure it is not de-flowered.

## Economic Promise

The Malaysian economy has an enviable record of growth with price stability. After the 6.8 per cent in the 1960s, economic growth averaged 7.8 per cent in the 1970s and in the 1980s. Despite a negative growth rate for the first time in 1985, the economy grew at over eight per cent, achieving over 8.5 per cent from 1987 until the Asian financial crisis of 1997-98, and peaking at 9.5 per cent in 1995.

Overall, the inflation rate has been in the region of 3-4 per cent. Indeed it was in the lowly 1.8 per cent last year and is expected to be 1.5 per cent for the whole of this year.

The rate of growth, however, has slowed down since the Asian financial crisis, not just because of the damage it caused, but also because of unnerving international events, an uncertain global economy, and serious competition from newly developing countries, especially China.

But if there is another thing about the Malaysian economy, which is also evident from our track record, it is that it has been able to transform and restructure to meet new challenges successfully.

There was an historic diversification out of the traditional dependence on rubber and tin, into the "golden crop", oil palm, even as import substitution became a basis for future growth, and then from the late 1960s, manufacturing export promotion became a driver of the economy after it became obvious the domestic market was too small for the industrialisation drive.

The 1970s saw the proliferation of export processing zones, where the multinational corporations played a pivotal role.

After a second round of import-substitution in the 1980s, focused on petrochemicals, iron and steel and

automobile manufacturing, Vision 2020 was proclaimed in 1991 which envisaged a fully developed Malaysia by that year and, in 1995, the Multimedia Super Corridor was laid out as a test-bed and enabler for the development of the economy based on Information and Communication Technology (ICT).

We have the record of successful economic restructuring, a platform on which to make those changes, but do we have the mind for the transformation?

This next stage of economic change is different from all others. We have to excel in the provision of services to discover the new sources of growth Abdullah is emphasising we should promote.

Unlike manufacturing, we have not been brilliant with services or excellent at marketing our service capabilities, although we have done well in tourism (which a wrong "Pas" turn can destroy) and in education (where rigorous standards have to be established and maintained).

We have to move fast in the Business

Traditional investment measures alone, such as the dollars and cents of FDI, do not any longer reflect investment in intellectual capital. Traditional tax incentives also do not any longer attract investment in knowledge-based activities of the New Economy.

Paradigm shift, they call it, but talking about it alone is not enough. The Abdullah administration will have to give the public and private sectors a hard push along. It would have to calibrate the economy, pay attention to detail, insist on deliverables and returns.

If, for instance, as a necessary social and economic cost of historic development, we had to pour in factors of production to achieve the desired end, we would now, in a globalised and highly competitive environment, have to be mindful of the need to be productivity-driven and to use capital efficiently.

Different times, different emphases. Pak Lah may bring a different style, but there will not be a quiet moment. There is simply too much to do.

**It is only now that Abdullah is Prime Minister in his own right. Any estimation of his performance can only be made from hereon.**

Process Outsourcing (BPO) market or we might not fulfil our promise. We have made some good starts, as in IT enabled services (for Shell, BAT, DHL) or for a number of outsourced services such as call centres, loan application processing and trade finance paperwork (for Citibank, HSBC, Standard Chartered), but we have not really leveraged enough on these successes or focused on the growth of these kinds of activities.

There is a huge market out there, with the BPO market expected to be US\$234 billion (RM890 billion) by 2005. There should be established a Services Development Authority, like Mida for manufacturing, to promote and approve services sector activities in the economy with minimum regulation.

And there is plenty of interest in how it is done, in how the nation benefits, in this age of transparency and accountability, in how institutions are allowed to function. In my view, the changes Abdullah will bring will come from what and how things are done.

The management of the administration, Government, and party over such a large canvas requires the kind of collegiate approach Pak Lah's oft-repeated style is eminently suited for. It requires a buy-in from institutions and individuals tasked with the responsibilities that they are given, and given back, which Pak Lah's quiet determination will serve, let us all pray, to good effect.

---

■ [dmmunir@hotmail.com](mailto:dmmunir@hotmail.com)