

# After Mahathir

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KUALA LUMPUR

**There was too much bad mixed in with the good in Dr Mahathir's long reign. His successor will struggle to redress it**

ON THE face of things, Mahathir Mohamad's last month as prime minister of Malaysia was typical of his 22-year tenure. He paraded his authoritarian instincts by hectoring the parliament of East Timor about the perils of democracy. With characteristic combativeness, he rekindled a 13-year-old war of words with Australia and labelled George Bush a bare-faced liar. The global uproar he created by lifting a page from the Protocols of the Elders of Zion and declaring that Jews rule the world exemplified his most chauvinist side. And as if he had not, over the years, already stirred up enough controversy to last a lifetime, he promised journalists that he would continue "to say nasty things about other countries" after he stands down on October 31st.

But while Dr Mahathir's style may have been consistently authoritarian and abrasive, his policies have changed beyond recognition during his decades in office. He started his career as an advocate of special privileges for fellow Malays (the biggest of Malaysia's many ethnic groups), but recently began dismantling some of them. Having subsidised and lionised Malaysia's captains of industry, he has lately started to promote small firms and professional managers as the main engine of economic growth. And despite presiding over a reli-

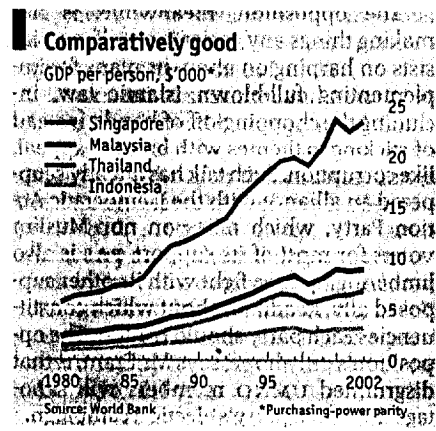
gious revival among Malay Muslims, he now thinks the "greening" of Malaysia has gone far enough. Abdullah Badawi, the new prime minister, says he will stick to his predecessor's policies. But is he an acolyte of the old Mahathir or the new?

For the time being, most Malaysians are concentrating on eulogising Dr Mahathir. Kuala Lumpur this week was festooned with banners thanking him and wishing him well, while emotional testimonials to his achievements fill the very newspapers he cowed with restrictive press laws. Editorials expatiate on his success in improving the lot of the Malay majority, preserving

ethnic harmony, stimulating the economy and nurturing a sense of national pride. Even less sycophantic Malaysians seem more than slightly shell-shocked by the idea that their ever energetic and irascible leader is finally stepping down.

There have been a few critical voices, however. Mohamad Ezam Mohamad Nor, from the opposition Keadilan party, points out that Dr Mahathir has severely undermined Malaysia's constitutional checks and balances. In 1988, after an adverse ruling, he fired the chief justice and two other senior judges; since then, the courts have rarely crossed the government. He also restricted the powers of the sultans and rajas, who take it in turns to serve as king and thus head of state. He locked up political opponents (including Mr Ezam), banned public protests and stifled criticism with a barrage of repressive laws. Nor was he in the least bit apologetic about this assault on civil liberties: as he opined to the East Timorese, unions, demonstrations, the press and opposition parties all need to be kept under strict control if democracy is to bring prosperity to poor and ethnically divided developing countries. Malaysia is probably now the most repressive country in non-communist South-East Asia, after Myanmar.

Dr Mahathir certainly did bring prosperity. Malaysia's income per head has risen from \$2,320 when he took office to \$8,920 today—a bigger rise than in most developing nations, though a much smaller one than in neighbouring Singapore (see chart). To this day, Malaysia provides a better business climate than any other country in South-East Asia, save, again, for Singapore. What's more, Dr Mahathir managed to harness that growth to in-▶



► crease Malays' share in the economy without completely alienating the Chinese businessmen who dominate it.

But K.S. Jomo, an academic at the University of Malaya, argues that the policies that brought about Malaysia's transition from an exporter of natural commodities into a manufacturing hub were in place before Dr Mahathir came to office. So, too, were the job-promotion policies for Malays. His industrialisation programme, which hinged on the creation of a "national" steel producer and carmaker, proved an expensive flop. He also had a weakness for pricey prestige projects, the latest of which, a much-delayed monorail, is now creaking and wheezing its way above the streets of Kuala Lumpur. He personally supervised the design of Malaysia's absurdly over-the-top new capital, Putrajaya, dividing up the city with artificial lakes and then criss-crossing them with bridges. Most of these schemes, along with copious public funds, were entrusted to favoured Malay businessmen, fostering a culture of cronyism.

Indeed, Dr Mahathir blames his recent policy shifts on Malays' failure to take advantage of their chances. At any rate, he has lost much of his Malay-nationalist ardour. At the meeting at which he first announced his resignation, in June last year, he berated Malays for their lack of initiative, and warned them that their preferential treatment would not last for ever. He has already started to dismantle the formal system of racial quotas for university places, although a two-track school system still gives Malays an advantage. He also ordered that maths and science be partly taught in English rather than Malay—a move which caused consternation within Dr Mahathir's own party, the United Malays National Organisation (UMNO). Most significantly of all, he has stopped going along with demands of the Islamic opposition party, PAS, that religion be given a more prominent place in public life.

#### A hard act to follow

All this puts Mr Badawi in an awkward position. On the one hand, he has promised to stick to Dr Mahathir's policies; on the other, he doubtless would like to shore up support within UMNO by reviving some of the Malay-nationalist measures Dr Mahathir has been dismantling. Dr Mahathir seems to have chosen Mr Badawi as his deputy precisely because he did not command a loyal following within UMNO, and therefore was no threat to Dr Mahathir's leadership. But that now leaves Mr Badawi himself vulnerable to a challenge for the party leadership—especially if UMNO does not perform well in the elections due by the end of next year, though expected as soon as March or April.

Mr Badawi's electoral chances are good, however. He is personable and pop-

ular, and universally referred to by an affectionate nickname, Pak Lah. He is widely considered honest, although opposition politicians have claimed that officials are favouring a company controlled by his brother. The descendant of a long line of distinguished clerics, he studied Islam himself, and, unlike Dr Mahathir, can quote the Koran in Arabic, which should help him lure away some supporters from PAS. So should the events of September 11th, and Malaysia's own problems with Muslim terrorists, which have fuelled suspicion of Islamic parties in some quarters.

Anyway, UMNO's performance at the last election, in 1999, was its worst ever, and so should be easy to improve on. The economy, which had been shrinking, is growing again. The bitter row over the jailing of Dr Mahathir's then deputy, Anwar Ibrahim, has subsided (though Mr Anwar is still in prison). Voters who had grown disenchanted with Dr Mahathir might welcome a new face. The supposedly neutral Election Commission has also improved the governing coalition's chances with a spot of helpful redistricting. The next parliament will contain 25 new seats, almost all of which have been assigned to government strongholds.

The opposition, meanwhile, is not making things any easier for itself. PAS insists on harping on about its plans for implementing full-blown Islamic law, including the chopping-off of hands, instead of sticking to themes with broader appeal, like corruption. Such talk has already scuppered an alliance with the Democratic Action Party, which relies on non-Muslim voters for most of its support. PAS is also limbering up for a fight with its other supposed ally, Keadilan, about which constituencies each party should contest. The opposition's only hope, says Mr Ezam, is that disgruntled UMNO members will sabotage their own party's election campaign.

The idea is not so far-fetched. UMNO has a history of infighting. Malcontents almost deposed Dr Mahathir himself in 1987. Mr Badawi will soon have to appoint one of UMNO's three vice-presidents as his deputy, and so leave the other two feeling hard done by. As party leader, he also has the delicate task of choosing UMNO's candidates for the election. If he selects too many of his own men, he will alienate the other party bosses; if he selects too few, he will not have the support to withstand a leadership challenge.

Mr Badawi must be reasonably adroit at handling such intrigue, or he would not have survived as Dr Mahathir's deputy. He rose to the top by keeping his head down and offending no one—and if his stints as a stand-in for Dr Mahathir are anything to go by, he plans to run the country in the same way. He has said little about what he will do in office beyond the usual formulaic pledge to fight corruption. He certainly does not seem to be a champion of civil liberties: as home minister, it was his job to approve all the warrants detaining the government's critics without trial. Nor does he have much experience of, or many ideas about, economics. His supporters say he has only kept quiet out of deference to Dr Mahathir, and will now be free to make his own mark. Given how fiercely Dr Mahathir set his stamp on the country, Malaysians might not mind a leader who leaves little trace. ■