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A man ahead of his time

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DURING his recent visit to the United Nations last month, his last as Prime Minister, he said "First, don't listen to the IMF," he said to an eruption of laughter, as well. A few weeks earlier, International Monetary Fund managing director Horst Kohler said it is unfortunate that the recognition came five years to the month when the country was dismissed by the IMF as a heretic. By dismissing the IMF prescription Malaysia was declared a heretic by the Washington Post. The subtext of all the criticism to the casual observer was that those who were not the chief culprit in all the criticism was Dr Mahathir, the proponent of the country's economic policy. As he takes his leave, most Malaysians will have to admit that despite the economic growth for a while it was touch and go, the country could go bankrupt, the Government's capital controls allowed the country the opportunity to take a deep breath, but nevertheless, while five years late, it is fitting that Kohler's recognition was given. There have been many converts since then, abroad and at home, that perhaps this is to be sure, Dr Mahathir's contribution to the economy should not to be judged in the 23 years helming the country he could also be credited with initiating economic reforms. When he took over, commodities were the fairly dominant features of the economy. Investments in the free trade zones were largely assembly-related, as investor-owned enterprises were not really helping in creating employment and value to a growing economy. In the early 1980s there began a conscious decision to diversify the economy, and it was a decision later proven to be wise, with the collapse of commodity prices. The changes since then have been obvious, with manufacturing now constituting the emphasis on manufacturing, as the building blocks for the industrialisation. Through HICOM, the Prime Minister shocked and delighted Malaysians when he announced that the car, Proton, was to be a catalyst for industrialisation, spawning hundreds of jobs. The car was also to be a catalyst for technological advancements. Twenty years on, the venture into heavy industries has a chequered record, with some successes and some failures. The privatisation policy of the late 1980s was equally controversial. It was designed to reduce Government expenses, it was argued that the private sector would be more efficient. The controversy surrounding the policy was not really driven by concerns that it would lead to unemployment. For example, there were lawsuits following the awarding of a contract to a company in the North. But not much was later made of the fact that hundreds of companies also benefited from the policy. The charges of favouritism dogged Dr Mahathir, especially in relation to the awarding of contracts. But most importantly, the privatisation policy led to, in almost all cases, a loss of jobs. The adage of technology transfer remained true, especially when these firms in the private sector were established. At the end of the day, several hundred services that were once provided by the Government were lost. In ensuring the success of the private sector, Dr Mahathir, who is as much the architect of the country's economic policy as he is the Prime Minister, has shown that this is where Government machinery is made to be more aware of the demands of the private sector. This was fairly revolutionary since there was a time when the civil service did not have to understand why certain things were done. Over the two decades Dr Mahathir had sought to constantly change and tweak the country's economic policy. First it was industrialisation, then heavy industry, then privatisation, then services. His vision of the ICT, or the Knowledge-based or K-economy, was also driven by the need to diversify the economy. The MSC is a realisation of that and the Government put into place a structure to support it. Lately, the Government has decided to place emphasis on what is generally expected of a modern economy. As much as he is a politician, Dr Mahathir also has a keen eye on trend spotting. As with the strategic shift from being overly dependent on commodities in the manufacturing sector to the services sector is touted for expansion, and as Finance Minister, Dr Mahathir has shown that the development of the infrastructure - roads, rail, port, telecommunication, etc. They are investments for the future to keep the country competitive, as well as to create jobs. It seems that infrastructure work has never eased during Dr Mahathir's era. He is a proponent of building capacities ahead of needs so that the country will be able to take full advantage of the opportunities that will come.

Perhaps his greatest contribution to the economy is to make Malaysians believe Malaysia Boleh may be greeted with much sarcasm by some segments of society, t From building cars to world-beating superstructures to microsattelites to the Everyone walks with an extra spring in his step knowing very well that nothing The economy too, with businesses getting their doses of self-confidence, benef As in all great plans there must be a buying in by the constituents. If they b Indeed, underlying all the achievements is perhaps Dr Mahathir's gift as a nat Also his conviction is never suspect, from capital controls to ICT. Driven by his conviction, he prodded, pushed and at times insisted on his idea Looking back, one would see scant reminder of the past now. Much of what we ha Over the past 22 years, the Gross Domestic Product rose to RM219.31 billion fr His critics often argued that Dr Mahathir has pushed the country and the econo Ironically, none of the critics, if given a choice, would want to live in a pl The economic changes that have taken place are not just a consequence of time Just take a look at the countries around us for comparison.

On balance, however, it must be noted that not all of his plans have worked. W Nevertheless, history would be a good judge of his plans.

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