

The Mahathir Legacy

*A nation divided,
a region at risk*

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Preface

The revelations in January 2002, that terrorist cells based in South-East Asia and linked to Osama Bin Laden's al-Qaeda Islamic organisation had selected US, British and Australian diplomatic missions in Singapore for future bomb attacks, and the murderous assault on a Balinese nightclub packed with Australians in October 2002 demonstrated that the region faced a security threat more serious than Western governments had envisioned in their strategic scenarios. For Australia, especially, they showed a need to re-evaluate the stability of the countries to its north and to determine how it should respond to the growing peril of Islamic militancy. While the activities of insurgent Islamic groups in Indonesia and the Philippines had long been cause for concern, the disclosure that Malaysia and Singapore had given birth to their own militants intent on murdering people perceived to be enemies of Islam meant Canberra could no longer assume these were two countries it did not have to worry about. Singapore, of course, has the will and the power in its tough laws to tackle internal militants. However, the links of local Malays in Singapore to a regional terrorist network underlined the country's vulnerability as a Chinese island in a Malay Muslim sea. The most

disturbing aspect of the information released about terrorist activities was the extent to which al-Qaeda had penetrated Malaysia, where the rapid growth of Islamic fundamentalism is providing fertile ground for the development of extremist ideas. Malaysia was one of a number of countries in which al-Qaeda members held meetings ahead of the attacks on America on September 11, 2001. US Federal Bureau of Investigation Director Robert Mueller said on a visit to Kuala Lumpur in March 2002.

Malaysia was a bastion of Islamic moderation and political stability for many years. But uncertainties now cloud its political future and questions are being raised about whether its moderate Muslims will be swamped by a new breed of zealots, intolerant of non-Muslims at home and hostile to those abroad. Much of the blame for this change in Malaysia's outlook lies with Dr Mahathir Mohamad, Prime Minister since July 1981. Dr Mahathir, ironically, has been a proponent of Islamic moderation and, until 1997, was credited with providing the leadership that, it was then thought, would ensure his country remained politically stable and economically strong for some time to come.

Part of the problem lies in the way Malaysia has developed over the past two decades. Its growth, reflected in economic statistics, has been dramatic, especially in the ten years up to 1997, when the Asian economic crisis ended the boom. During that period, Malaysia's gross domestic product grew at a rate of more than 8 per cent annually. By 1997, total external trade reached more than US\$158 billion, making Malaysia the world's 18th biggest exporting nation and 17th biggest importer; per capita income, which had been US\$300 at the time of independence, had risen to US\$4000. But the benefits of the growth did not permeate to poor rural areas or the urban underprivileged.

Kuala Lumpur, Malaysia's capital, exhibits the exuberant expansion of the boom years. Towering office blocks, decorated at night with glittering coloured lights, fill the city centre. Motorways and light rail transport systems intersect the capital. But beneath the glitter there are flaws. In his column in *New Sunday Times* on 8 July 2001, A. Kadir Jasin, former group editor of the *New Strait Times*, complained that Kuala Lumpur hosted the world's tallest buildings