

**Ex-minister Daim tak diam**  
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**By Josh Hong**

Former finance minister Daim Zainuddin recently expressed his displeasure that the finance portfolio is in the hands of Prime Minister Najib Abdul Razak.

He is right, and no one should know better than Daim. It would not be exaggerating to call him an economic czar who for seven years was the finance minister during the Mahathir administration.

He also oversaw a crucial period during which the frenzy of privatization produced a country in which the rich and the selective few were becoming unashamedly privileged at the expense of the masses.

NONEWhen Dr Mahathir Mohamad (left) became prime minister in 1981, Tengku Razaleigh Hamzah had been guarding the national coffers for five years.

He would continue in the role until Mahathir deemed it necessary to remove him in 1984 and thwart an imminent leadership challenge.

Having a potential rival with his own fiefdom was already nightmarish enough. Razaleigh was not only an aristocrat well respected by a large segment of Malay society, he also commanded a huge following within Umno.

Worse, his control of the finance ministry could pose serious hindrance to Mahathir who had by then been showing signs of concentrating executive powers in the prime minister's department.

Hailing from Kedah - Mahathir's home state - and a high-flying lawyer with extensive business networks, Daim was best suited to fill the void left by Razaleigh.

More critically for Mahathir, Daim shared the same vision of expanding the so-called economic pie while at the same time enriching himself further, minus political ambitions.

Serving as Umno's treasurer at the same time, Daim was among the least likely to be involved in any plot to topple Mahathir, unlike Razaleigh.

NONEIndeed, when Team B led by Razaleigh (right) and Musa Hitam mounted the most decisive leadership challenge against Mahathir in April 1987, Daim duly repaid Mahathir by backing his patron.

In the following years, Daim was not only (in)famous for leading Malaysia through a severest recession onto rapid recovery, his business empire also grew by leaps and bounds.

Mahathir often remarks caustically that he appears to be in the habit of choosing a wrong person. He may be right.

But he could not have found a better finance minister in Daim, who was so interested in making money but uninterested in creating a powerbase within Umno.

He would take care of the money while Mahathir would do all the politicking.

Love of wealth is contagious

Daim's love of money is legendary, and he makes no secret of it. In 'Daim yang Diam: Sebuah Bigrafi', he shows no qualms about boasting that he could make millions on a lucky day just by sitting in the chair,

and he loved to make money.

In fact, it was Daim who turned the Economic Planning Unit into a full-power agency in implementing the privatization policy.

Tenders for government projects became things of the past, while contracts were awarded in opacity, to the benefit of both Daim and Mahathir, and many other Umno-putras - Halim Saad, Tajudin Ramli, Wan Azmi, etc - but also trusted non-bumi tycoons such as Vincent Tan, the late Lim Goh Tong and Ananda Krishnan.

Lucrative deals also kept Samy Vellu and Ling Liong Sik so happy that they failed thoroughly to look after the very constituencies that they were supposed to take care of.

One must not be fooled by the latest list of the richest in Malaysia. Daim's stealth wealth - spread across the world - can easily top that of many.

Can one think of any respectable country whose finance minister left the job a billionaire? I can only think of Daim.

anwar nangka 050411On Anwar Ibrahim's (left) watch, Malaysia became known as one of the Asian Tigers that could soon join the developed world.

Anwar was even lauded as the best finance minister by Euromoney, to the chagrin of Mahathir of course.

The man who once led tens of thousands of Malay youths to take to the streets to protest against rural poverty back in the 1970s was now a changed man, who impressed his audiences around the world with rhetoric of moderation, economic liberalisation and civilisational dialogue, again to the barely concealed dismay of his boss back home.

There is no secret that Mahathir missed Daim's economic 'acumen' and 'loyalty' so immensely that he eventually brought him back as economic adviser to check against Anwar following the financial crisis of 1997-98.

But there is one thing that differentiates Daim and Anwar. Although both are arguably equally well-versed in economic issues, the former en-massed great wealth during his tenure, while the latter remained a relatively humble minister by Malaysian standards.

Mahathir would not have been compelled to resort to gutter politics and dirty tricks to keep Anwar behind bars had his deputy been allowed himself to be corrupted.

Mahathir must have searched high and low for even an iota of evidence to implicate Anwar as a corrupt minister, but found it wanting.

As far as Mahathir is concerned, it cannot be more miserably frustrating whenever he fails to cast aspersions on his enemies with charges of corruption. Mahathir is utterly helpless when confronted with men and women of integrity.

Political fortunes on the rise

Little wonder that he remains bitter about Anwar to this very day. I may not fully agree with all the policies that Anwar introduced when his political fortunes were on the rise, but he must be given the credit where it is due.

The financial crisis however exposed to Mahathir the cruel reality that under a proper Westminster parliamentary system, the prime minister's powers can easily be curtailed by the treasurer.

Anwar sealed his own fate when he refused to bail out Mahathir's cronies and sons. After sacking Anwar,

Mahathir assumed the functions of home affairs and finance.

Last day of Abdullah Ahmad Badawi. Najib Abdul Razak takes over as prime minister in Putrajaya. Although he later relinquished the home affairs portfolio to Abdullah Badawi (right), he continued to serve simultaneously as finance minister until 'retirement'.

Mahathir was unique in Malaysian politics as a 'conviction politician', although his conviction later turned out to be extremely costly and damaging for the country as a whole.

Paradoxically, he was not particularly fond in creating new structures and mechanisms, but proved rather adept at demolishing the existing ones, undermining checks and balances as exercised by a powerful finance minister being a case in point.

And this negative precedent set by Mahathir is adhered to by both Abdullah and Najib for a very simple reason that the largesse to be dished out to party faithful in order to stay in power has grown too large to be left to someone else, especially after the deeply divisive split over the Anwar incident.

Already shaky, Najib would be in a much more vulnerable position had he appointed, let's say, Muhyiddin Yassin as finance minister. It would be disastrous for him personally, but also catastrophic nationally.

In hindsight, it is of paramount importance that a new government restore the tradition of checks and balances by decoupling the functions of the prime minister's department and the treasury.

Daim is, like anyone else, entitled to his freedom of speech. But a typical Umno elite who has been living off the backs of the people, I am afraid he is shorn of the moral authority to talk on the issue.

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