



The PM and the Politics of Development

It would seem that Prime Minister Datuk Seri Abdullah Ahmad Badawi wants to score as many political points as is possible from development projects initiated by his administration.

PRIME MINISTER DATUK SERI ABDULLAH AHMAD BADAWI WANTS THE Iskandar Development Region (IDR), previously known as the South Johor Economic Region (SJER), to become a new global growth centre.

He wants the regional development area to be globally competitive in order to draw investors and businessmen.

And in a language that has now become synonymous with his rhetoric, the Prime Minister wants the IDR to survive on its own ability and on a high standard of performance based on efficiency, integrity and good governance.

The Prime Minister may not be known to be rhetorically agile, but in recent months, he has been describing his achievements in superlatives.

Only recently, on a visit to Indonesia, he described the relationship with the republic as being at its highest point.

'There is no way to expect sympathy from anybody. They (the implementors) will have to work hard to compete with everybody as competition is a challenge we must face,' he said.

Not that failure has ever been an option, but in the case of the IDR, failure is a price Abdullah cannot afford to pay, having last year declared that the mega project was his original idea — his brainchild.

But I wonder if 'networking with other global growth centres', as he had suggested, 'would also benefit the IDR' (as he had hoped), because in a competitive global environment, growth centres would compete to outdo each other.

Let's give him the benefit of the doubt, although conventional wisdom suggests otherwise. When we started our Multimedia Super Corridor (MSC) last decade, overnight, other countries started theirs.

We don't have to go very far in terms of space and time. We need only to look at the IDR's immediate neighbour — Singapore.

Having seen how gaming-based resorts like Genting Highlands

and Macau have flourished in recent decades, Singapore succumbed and in less than a year, has gone big into gaming by issuing casino licences to international operators, including Genting Bhd.

In theory, we can agree with the Prime Minister that 'we must take advantage of our low cost and the ample space that we have.' We have more and cheaper land than Singapore. But given the inefficiency of the public sector delivery system, the construction cost may not be as low.

I will not delve into the subject of corruption and bureaucratic inefficiency. Suffice to say the Prime Minister himself has spoken often enough about these subjects.

We can be very sure that our southern neighbour will be watching the progress of the IDR very closely as it has done with the nearby Port of Tanjung Pelepas.

Despite showing greater camaraderie towards the Abdullah Administration, Singapore remains suspicious of any development that threatens its economic supremacy.

In recent decades, it has practised what is akin to 'if you can't beat them, join them.' This is manifested by the aggressiveness of its state-owned companies like Temasek in gobbling up strategic investments in the region.

For the republic and its aggressive investors, the open invitation to participate in the IDR and other mega undertakings is a case of *pucuk dicita ulam mendatang* — a dream come true.

Abdullah himself has been a champion of openness and, in the specific case of Singapore, the chief bearer of the olive branch.

Speaking to reporters after the launch of the inaugural meeting of the Iskandar Regional Development Authority (IRDA) on Feb 23, the Prime Minister said Malaysia was also prepared to employ international consultants for the project.

Having scrapped the less ambitious Tun Dr Mahathir Mohamad-era 'crooked bridge' project, Abdullah has to prove to

the Johor people that he was not penalising them but is instead giving them a much bigger project.

According to *The Star*, initial projections indicate that the IDR is expected to attract a total of US\$ 105 billion (RM370 billion) in investments in 20 years. In the short term, it is supposed to attract some RM50 billion in investments in the next five years. Dr Mahathir's crooked bridge was projected to cost RM1.2 billion.

If the IDR is as successful as Abdullah has envisaged it, then the pressure on the ageing Causeway will only increase. This could prove to be a disincentive to potential investors, property buyers and shoppers from across the Causeway.

But I think it is a matter of time before the Causeway project is revived, albeit by a party friendly to Abdullah. And it would be a coup for Abdullah if he can get his golfing buddies in Singapore to agree to the project.

It is totally plausible. Why shouldn't Abdullah want to do better than his predecessor? And why can't he do better than Dr Mahathir, given his closeness to Singaporean leaders?

Even the railway double tracking, another key project of the Dr Mahathir era, which he cancelled, could be back on the table soon. It may not be given back to a Tan Sri Syed Mokhtar Albukhary-linked company but there will not be a shortage of suitors, more so now that the government has introduced the private financing initiative (PFI) to fund the Ninth Malaysia Plan.

The YTL Group's proposal to run fast train services between Kuala Lumpur and Singapore would not be possible without major improvements to the existing track. So why shouldn't the double-tracking project be reinstated?

Politically, Abdullah has firmly planted his feet in the hugely important state by assuming the post of co-chairman of the IRDA, alongside Johor Menteri Besar Datuk Abdul Ghani Othman.

Here we are seeing Abdullah the politician at work. Johor is an important state for Umno and the Barisan Nasional (BN), and thus for the Umno President and BN chairman.

In recent decades, however, Johor Umno has not been as united as it would seem or has been. It is divided into factions, with the Menteri Besar, who is the party's state liaison chief, barely able to hold the various factions together.

The famous saying among Johoreans is that the state has far too many leaders for its own good. The deterioration of the party's leadership in the state can be traced back to the futile attempt by Tun Musa Hitam to topple Dr Mahathir in the 1987 party election.

Abdullah was indirectly a party to the situation by virtue of his unequivocal support for Musa. The Prime Minister's less-than-warm relationship with Abdul Ghani is an open secret.

The latter is seen as a remnant of the Datuk Seri Anwar Ibrahim era and a staunch backer of Dr Mahathir in the Causeway bridge project.

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The appointment of Musa as one of the five members of the IDR's advisory council is not just a confirmation of their deep friendship but a subtle reminder to the state's many power brokers that he has the former Deputy Prime Minister on his side.

The launching of the IDR and the allocation of development expenditure of the ninth five-year plan are among the many indications that Abdullah is not what many people think he is.

For a start, he is not a political pushover. Nor is he about to allow anybody to entertain the thought that he is an interim Prime Minister. He is here to stay – for two terms or longer.

His pronouncements on key issues like the administration, economy and diplomacy may not sound impressive. On the contrary, they lack the clarity and soundness that were the hallmarks of his predecessor.

But politically, Abdullah is as good – if not better – than Dr Mahathir in generating political gains and outsmarting rivals. From his famous strategy of *tolonglah Pak Lah* (please help Pak Lah) when he was an outcast, he has moved on to helping himself to power.

Who would have imagined that he would so quickly seek to undo Dr Mahathir's policies and projects, and to put his lieutenants in key positions in politics, the economy, the administration and mass media?

His choice of people to sit on the IDR advisory panel, for instance, manifests Abdullah's deep political bias. He feels the need to score a political point at every turn.

Thus, most of the panel members are Johoreans, including billionaire Robert Kuok, who is in the process of transferring the domicile of his multi-billion-ringgit Malaysia-based Perlis Plantations Bhd (PPB) to Singapore. Although Kuok is a Malaysian and his late father Kuok Keng Kang was a successful Johor-based businessman, he builds and controls his empire out of Hong Kong. His Malaysian business units have largely been managed by his nephews and close family friends. Unlike Tan Sri Kishu Tirathrai, who is Malaysian-based and is active in government-industry consultations, Kuok is nearly uninvolved in such activities.

Perhaps, sensing too much stress on Johor in the project, Musa quickly warned that it was important for the IDR to avoid being Johor-centric despite its location.

The danger is not so much in the way the Prime Minister manoeuvres politics to his advantage, but in his understanding of the more intricate economic, business and financial matters.

Last but not least is his choice of people to help him plan and carry out economic projects. Hopefully, they are as good as being made out by the administration-friendly Press. **mb**

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