



Political Stability and Sustainability as Key Success Factors in Developing Malaysia

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Political Stability and Sustainability as Key Success Factors in Developing Malaysia

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Perdana Discourse Series No. 4/2006



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PREFACE

Political Stability was the theme for the fourth Perdana Discourse Series. The discourse was an interactive platform where participants had the opportunity to share and discuss issues relating to policies, strategies, and possible models and achievements accomplished during the tenure of Malaysia's previous Prime Ministers. Participants comprised university students, academicians, senior civil servants and members of various youth associations.

The discourse started with a keynote address by Tun Dr Mahathir sharing his thoughts and ideas on the topic. This was preceded by a moderated discussion session chaired by UiTM's Assistant Vice Chancellor, Associate Prof. Dr Mustaffa Mohamed Zain. The discussants were Tun Dr Ling Liong Sik (former Transport Minister of Malaysia and former President of the Malaysian Chinese Association (MCA)), Professor Dr Hajjah Faridah Hj. Hassan (Director of Centre for Business Excellence and former Dean of Faculty of Business Management, UiTM), Ismalina Ismail (EXCO member of Puteri UMNO) and Logandran Balavijendran (student representative. Multimedia University). Each presenter took the opportunity to reiterate, list and illustrate several key decisions, and the contributions of the past four leaders on Political Stability and Sustainability of the country.

More than forty participants took part in the group discussion session to further deliberate on the issue and to reaffirm on the three aspects of the topic discussed: the past, the present and future of political stability and sustainability of the country. Students from various tertiary

institutions played key roles during the sessions. They took up the roles as facilitators, scribes and presenters. The outcome of the group discussion session was presented as a closing remark for the discourse.

Editors

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We would like to thank the Board of Perdana Leadership Foundation and the Vice Chancellor of UiTM, Dato' Seri Professor Dr Ibrahim Abu Shah for their continued support and confidence in InQKA (formerly known as INKA) to again come out with this publication. In this fourth series, we are very honoured to have Tun Dr Mahathir Mohamad who shared his ideas and forthright opinions with clarity and intelligence on the topic of Political Stability. We are also very grateful to have with us personalities, each distinguished in his own particular field, such as Tun Dr Ling Liong Sik, Professor Dr Hajjah Faridah Hj. Hassan, Ms. Ismalina Ismail and Mr. Logarandran Balavijendran who have further contributed to our knowledge on the topic. Our gratitude goes to Associate Professor Dr Mustaffa Mohamed Zain, the Assistant Vice Chancellor who is also the new person at the helm of InQKA for his support and direct involvement in this series. Our appreciation also goes to all the participants who have much contributed during the group discussions. The results of the discussions have further enriched the information gathered for documentation. Last, but not least, a special thank you to the transcribers of Perdana Leadership Foundation and friends of InQKA who have helped us come out with this fourth issue of the Perdana Discourse Series.

PROLOGUE

Some Points on Political Stability and Sustainability

"... without national unity, there would be no stability, without which there would be no opportunities and resources for national development."

Before independence, the Japanese and British segregated the Malays and non-Malays for their political and economical benefits, an outcome of which racial harmony in Malaya did not really exist although there was tolerance and accommodation. The non-Malays were disillusioned when the British proposed to give the non-Malays rights equal to that of the Malays. The segregation was further deepened because the Government established policies derived from mistaken assumptions of the social needs of different ethnic groups. The multiracial rifts caused social instability and subsequently political instability, as evidenced by the racial riots of May 13, 1969. The event served to underline the importance of political stability via acceptance of the Government by the Malay majority and ethnic support from the Chinese and Indians. This realisation resulted in the urgency to harmonise the country's social ethnic groups.

The New Economic Policy (NEP) was then established in 1971 to develop racial harmony. The NEP led to a critical assessment and a major shift in the focus of development policies. This policy has its twin objectives of eradicating poverty and restructuring society. Its basic philosophy was growth with equity and its overriding objective was national unity. Parallel to the NEP, sequences of policies were formulated by the past Prime Ministers in the name of national stability.

Among these policies, Vision 2020 by Tun Dr Mahathir Mohamad has the greatest impact and heavily influences recent actions as identified in the Ninth Malaysian Plan.

The Ninth Malaysia Plan highlighted five key trust areas, i.e. moving the economy up the value chain, raising the capacity for knowledge and innovation and nurturing a first class mentality, addressing persistent social-economic inequalities, improving the standard and sustainability of the quality of life, and strengthening the country's institutional and implementation capacity via a more effective monitoring mechanism. The implementation of the Ninth Malaysia Plan is an attempt to secure social stability in Malaysia's multi-ethnic population of approximately 24 million which includes 61.4% Bumiputras i.e. mostly Malays, as well as Ibans, Kadazans, Melanaus and other indigenous people, 23.7% Chinese and 7.1% Indians.

Based on the current global scenario, the emergence of China and India as new economic centers has forced Malaysia to be proactive and competitive in attracting direct foreign investments. The key conducive driver for socio-economic balance is political stability and its sustainability. The following are pointers for discussion:

1. What is meant by political stability and sustainability?
2. Do we need a paradigm shift in our political scenario?
3. What are the ingredients for political stability?
4. Do you agree that political stability and sustainability are key success factors towards the country's development?
5. Is a new political scenario needed to ensure political stability and sustainability in terms of the region's political-scenario?
6. What is the significance of regional political stability in Malaysian politics? Why didn't political stability help Malaysia fend off the 1987 and 1997 economic downturns?
7. Is there going to be another economic 'attack' in 2007?
8. Is the current political scenario good enough to sustain Malaysia's success or ensure that Malaysia survives another foreign onslaught (political, economic, finance, cultural and sovereignty)?
9. Will the implementation of the Ninth Malaysia Plan sustain political stability?

POLITICAL STABILITY AND SUSTAINABILITY AS KEY SUCCESS FACTORS IN DEVELOPING MALAYSIA

KEYNOTE SPEECH

Tun Dr Mahathir Mohamad

Political Stability is not just about stability, but it is also about sustainability. Sustainability is a key success factor to political stability. Nowadays we talk very much about key success factors, for example, the key success indicators in developing Malaysia. I think we would all agree that political stability is good. Good in itself, and certainly good for the economy, and for developing a country. When there is instability, it is very difficult to focus on development. We have very many examples of these. It is very difficult to find stability in most multi-racial countries in the world. In fact it is very difficult to find them stable at all. There will always be conflict because of the differences among different parties.

I would like to make references to Iraq. As you know, Iraq has three separate groups. There are the Sunni Muslims, the Syiahs and the Kurds. There was stability when they were all under a very strong ruler that prevented them from getting at each other's throats. Then again, there are those who think that the best way to run every country in the world is by depending on the will of the majority, in other words, through democracy. To them, democracy is the perfect solution for the world. In order to have democracy in this world, they (the democrats) are prepared to kill as many people so that they will be free to practice democracy. There is a contradiction here; killing people in order to free them and enjoy democracy. As a result, Iraq is not the most stable country in the world and therefore it is very unlikely to develop.

Giving the freedom to the people to choose is a very noble thing. But whether it is practical or not is a different matter. Recently, as a result of much nudging and hints and forceful pressures, the Palestine authority had to have elections; democratic elections in order to determine who should rule the country. Since democracy is about the will of the majority, the party that won was the Hamas.

However, those who promote democracy through the killing of people do not like the Hamas. When the Hamas won, the promoters of democracy suddenly found that democracy is not good. They have refused to give the Hamas even the tax that they have collected on behalf of the Palestinians. To them, this denial of support for the Hamas is totally democratic. There may be two million people in Palestine, but the millions of others in the so-called democratic countries have decided that they should not support this democratically elected government. We again see a problem that is created by this absolute faith in democracy. This situation will continue because some people want to promote and to prove that democracy works for every one.

Then there are other countries that are divided by religion. In North Ireland for example, although the people are all Christians, white and speak the same language, one group is however Catholic, while the other is Protestant. Due to this difference, they have been fighting and killing each other and instability reigns in the country.

In no way must one assume that if there is no racial conflict, or if there is no religious conflict, a country is stable. Today, a number of countries in the South East Asia are not stable. There are street demonstrations, which are considered democratic, that happen at all times. These demonstrations can lead to instability. It is quite impossible to carry on life as usual during these street demonstrations. Shops will have to be closed, people will not be able to go to the shops, nor go to their offices, and they are not able to operate as usual. Their lives are disrupted. All very democratic, and on the contrary, very destabilizing.

Therefore, even if the people are of the same ethnic origin, even if they have the same religion, there is no guarantee that a country will be politically stable. The differences may be because of personal dislike for the current President or Prime Minister. It may be because of a dislike for the ideology of the party that is ruling the country. It may be a dislike for the lack of care shown by the government in power at the moment. Whatever the reasons may be, single ethnic countries with one religion can still become unstable. Malaysia has actually all the ingredients for instability. We are multi-racial, multi-lingual, and multi-cultural. Furthermore, we have tremendous disparities in terms of wealth distribution. And of course we are all followers of very

different religions. All these factors would lead to instability. We know of course that Muslims in most countries do not seem to get along well with followers of other religion. Or if you want to look at it in another way; most people of other religions cannot get along with Muslims. As we all know most Muslim women cover their heads. To many people, it is a crime wearing head covers. People cannot go to school in some countries if they wear head covers. This happens in very civilized countries.

Then of course, there are the economic disparities. The disparities can be found in the distribution of wealth. If we look into the history of socialism and communism, the reason why socialists and communists emerged was because of the extreme disparity in the wealth distribution. The capitalist entrepreneurs, owners of industries became extremely rich, while the workers were extremely poor. Karl Marx came along and told the workers that they were being exploited. That they are entitled to what they produced and therefore they should have more money. The only way to get more money is for them to take over the whole country and rule it. The socialists believe in nationalising the industries by the government, while the communists believe in killing the capitalists and taking over all that from them. But as we all know, the theory did not work. The socialists did not create heaven on earth for their workers, neither did the communists. In the end the whole ideology was given up.

What I would like to stress here is that economic disparities can cause instability and can result in ideas like socialism and communism. There will be ideas about expropriation of the wealth of the rich, which can lead to the nationalisation of the means of production. And as the communists are fond of saying, the means of production should be nationalised so that wealth generated would belong to the government that would in turn distribute it fairly to everyone. That is the theory, but it does not work that way.

Racial feeling is also a very strong reason that can cause instability in a country. You feel an affinity for people of your own race and you identify yourself with them. Therefore, we can come to a certain conclusion that religion, economy, wealth distribution, race and of course, language and culture all tend to create a confrontational situation and tension amongst people. Malaysia has all these elements

that can lead to political instability. The country has three different races, i.e. the Indians, the Malays and the Chinese who in turn practice different religions. Of course the cultures of these three different races are different, the languages are different and finally of course in terms of economic wealth, they are sometimes poles apart.

In Malaysia, despite the extreme differences, there has been no major political conflict. Why is there no conflict? When the British decided to create the Malayan Union, the Malays would have been deprived of their special position as the *definitive* people of this country. Definitive here means that this country was named after them and the Malays were given the definition to the land. It was then called Tanah Melayu, the Malay Land. However, the British proposed the Malayan Union where anybody who wanted to be a Malayan citizen could become a Malayan citizen. Because of this, and other reasons such as the demotion of their *Sultans*, the Malays rose against the Malayan Union. The Malays are very loyal people as you know, "*Melayu tak akan derhaka kepada Raja*", said Hang Tuah and they didn't like the idea of their Sultans being demoted to chief Kadis. That was what would have happened had there been a Malayan Union.

However, the Chinese and the Indians were not against the Malayan Union. Undercurrents and sentiments among various races at that time were very bad. During the war the Chinese formed guerrilla groups; the MPAJA, the Malayan Peoples Anti-Japanese Army, which immediately upon the Japanese surrender, came out of the jungle and occupied several police stations and told the Malays in the rural areas that they at this point rule the country. They took over police stations and there were fights between the Malays and the Chinese and a lot of Malays and Chinese were killed.

The Malays fought against the Malayan Union, they insisted that this was a Malay land and nobody should become the subject or citizen of this country except themselves. Before this time, there was no citizenship in Malaya. There were only subjects of the rulers. Who were the subjects of the rulers? The Malays were considered as the subjects of the rulers. The Chinese were not subjects of the rulers; the Indians were not subjects of the rulers. The Chinese and the Indians came to Malaya to work and they did not consider themselves as the subjects of the rulers either. Most Chinese in those days would fly the



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