



TRENDS IN SOUTHEAST ASIA

# THE MAKING OF ANWAR IBRAHIM'S "HUMANE ECONOMY"

Khoo Boo Teik

**ISEAS**  
YUSOF ISHAK  
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## FOREWORD

The economic, political, strategic and cultural dynamism in Southeast Asia has gained added relevance in recent years with the spectacular rise of giant economies in East and South Asia. This has drawn greater attention to the region and to the enhanced role it now plays in international relations and global economics.

The sustained effort made by Southeast Asian nations since 1967 towards a peaceful and gradual integration of their economies has had indubitable success, and perhaps as a consequence of this, most of these countries are undergoing deep political and social changes domestically and are constructing innovative solutions to meet new international challenges. Big Power tensions continue to be played out in the neighbourhood despite the tradition of neutrality exercised by the Association of Southeast Asian Nations (ASEAN).

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# The Making of Anwar Ibrahim’s “Humane Economy”

By Khoo Boo Teik

## EXECUTIVE SUMMARY

- Anwar Ibrahim, Deputy Prime Minister of Malaysia, 1993–98, and Opposition Leader, 2008–15 and since March 2020, is associated with two lasting, seemingly contradictory images. Those were of the young Anwar as a radical Islamist for whom economics seemed not to matter, and as a pro-market reformer during the 1997 East Asian financial crisis for whom Islam no longer mattered.
- Yet there was economics in the young Anwar’s Islam and, conversely, Islam in the mature man’s economics. Between them lay certain “moral ambivalences” that occupied Anwar during the pre-crisis period when economic growth, prosperity and ambitions were dogged by rent-seeking, corruption and institutional degradation.
- Anwar had expressed various thoughts on “Islam *and* economics”, notably when he was President of Angkatan Belia Islam Malaysia (ABIM, or Malaysian Islamic Youth Movement), Minister of Finance (1991–98), and leader of the post-*Reformasi* opposition. His thoughts formed the core of a “humane economy” that he envisioned and advocated upon his return to active politics from 2006 onwards.
- The vision of a “humane economy” holds personal, ideological and political significance at a specific political juncture in Malaysian history.





# The Making of Anwar Ibrahim’s “Humane Economy”

By Khoo Boo Teik<sup>1</sup>

*The ruler must spread out a carpet of justice for his people, erect a tent of security, and fly the banners of forbearance with their fluttering tassels. He must pour out rivers of charity for them, restraining the hands of iniquity from reaching them, while showering them with the rain clouds of noble deeds. The most important of all the aforementioned qualities is justice.*<sup>2</sup>

Anwar bin Ibrahim, Deputy Prime Minister of Malaysia, 1993–98, and Opposition Leader, 2008–15 and since March 2020, was born on 10 August 1947 in the village of Cherok To’kun, on the mainland part of the state of Penang.<sup>3</sup> Anwar completed his schooling at Malay College Kuala Kangsar. From 1967 to 1971, he studied at the University of Malaya; there he was a leader of the National Union of Muslim Students

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<sup>1</sup> Khoo Boo Teik is Professor Emeritus, National Graduate Institute for Policy Studies, Tokyo, Japan; and Visiting Senior Fellow, ISEAS – Yusof Ishak Institute, Singapore (September to November 2020).

<sup>2</sup> Shihab al-Din al-Nuwayri, quoted in Anwar Ibrahim, “Confronting Authoritarianism”, Fifteenth Annual Seymour Martin Lipset Lecture, *Journal of Democracy* 30, no. 2 (April 2019), p. 8.

<sup>3</sup> The best source of the personal details summarized here is Charles Allers, *Anwar Ibrahim: Evolution of a Muslim Democrat* (Singapore: Monsoon Books, 2014). See, for example, pp. 31–40 on Anwar’s early years. For the present author’s analysis of Anwar’s political career up to 1998, see Khoo Boo Teik, *Beyond Mahathir: Malaysian Politics and its Discontents* (London and New York: Zed Books, 2003), pp. 71–98.

of Malaysia,<sup>4</sup> and the Malay Language Society of University of Malaya.<sup>5</sup> With several fellow activists he founded Angkatan Belia Islam Malaysia (ABIM, or Malaysian Islamic Youth Movement) in August 1971. The best-known figure of ABIM, Anwar became its president in 1974. He held that position for almost eight years, including the 22 months between January 1975 and November 1976 when he was detained without trial as a “threat to national security” following the 1974 student demonstrations in Baling, Kedah. In 1981 he chaired a broad civil society coalition to oppose the Societies Amendment Bill which, among others, was meant to curb ABIM’s growing influence.

Anwar left ABIM and joined the United Malays National Organization (UMNO) in March 1982. He swiftly and steadily rose in UMNO and held different portfolios in Mahathir Mohamad’s various Cabinets. He could claim to be Mahathir’s “anointed successor” after UMNO elected him its Deputy President in 1993 and 1996. Anwar was Deputy Prime Minister and Minister of Finance when the East Asian financial crisis struck in 1997. But on 2 September 1998, Anwar was dismissed from all official posts, expelled from UMNO the next day, arrested on 20 September, convicted on charges of corruption and sodomy later, and handed a combined jail sentence of 15 years. The Mahathir regime’s persecution of Anwar and the latter’s defiance sparked a popular dissident movement, *Reformasi*. Anwar was released from prison in September 2004 when the Federal Court overturned his conviction for sodomy. He then led a coalition of opposition parties that made unprecedented gains in the 2008 and 2013 general elections. Conviction on another charge of sodomy led to his imprisonment from February 2015 to May 2020. Anwar was freed by a royal pardon a week after the opposition coalition, Pakatan Harapan (Harapan, or Pact of Hope) defeated the incumbent Barisan Nasional (BN, or National Front) in the general election of 9 May.

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<sup>4</sup> Persatuan Kebangsaan Pelajar-Pelajar Islam Malaysia (PKPIM).

<sup>5</sup> Persatuan Bahasa Melayu Universiti Malaya (PBMUM).

By any measure Anwar has had a full and influential political life. Yet he is, among Malaysian politicians, second only to Mahathir for being ill-understood. That is partly because, like Mahathir, Anwar was harried by controversies that imprinted powerful images of him on the public imagination. Two lasting but seemingly contradictory images of Anwar were those of an Islamist and an economic reformist. Young Anwar was branded, or lauded, as a radical Islamist for whom economics seemed not to matter. During the 1997 financial crisis, Minister of Finance Anwar was hailed, or reviled, as a pro-market reformer for whom Islam no longer mattered. After his fall, his defenders and detractors picked those aspects of his religious beliefs and economic ideas as suited the case they made for or against him.

They did not, however, posit a conjunction of his religious beliefs and economic ideas. The chief interest in Anwar's Islam was tied to his views of such issues such as *syariah*, women's position, minority rights, and democracy.<sup>6</sup> The concern with his economics focused on his policy stances during the 1997 financial crisis when he was seen as a neoliberal opponent of Mahathir's dirigisme.<sup>7</sup> Yet there was economics in the young

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<sup>6</sup> Reviews of Anwar's Islam are found in John Esposito and John O Voll, *Makers of Contemporary Islam* (Oxford: Oxford University Press, 2001), pp. 177–98; Allers, *Anwar Ibrahim*, pp. 240–44; and Shaharuddin Badaruddin, *Masyarakat Madani dan Politik: ABIM and Proses Demokrasi* [Civil Society and Politics: ABIM and the Democratic Process] (Shah Alam, Selangor: IDE Research, 2016). For sporadic comments, see Mohamad Abu Bakar, "Islamic Revivalism and Politics in Malaysia", *Asian Survey* XXI, no. 10 (October 1981): 1040–59; Zainah Anwar, *Islamic Revivalism in Malaysia: Dakwah Among the Students* (Petaling Jaya, Selangor: Pelanduk, 1987); and Joseph Chinyong Liow, *Piety and Politics: Islamism in Contemporary Malaysia* (Oxford: Oxford University Press, 2010).

<sup>7</sup> For example: John Dori, *Standing Up for Democracy and Economic Reform in Malaysia* (Washington, DC: The Heritage Foundation, 1998); Ian Johnson, "Intimate Enemies: How Malaysia's Rulers Devoured Each Other and Much They Built", *Wall Street Journal*, 30 October 1998; Thomas Carothers et al., "A Quarter-Century of Promoting Democracy", *Journal of Democracy* 18, no. 4 (October 2007): 112–26.

Anwar’s Islam and, conversely, Islam in the mature man’s economics. Between them lay “moral ambivalences” that occupied Anwar during the pre-crisis period when growth, prosperity and ambitions were dogged by rent-seeking, corruption and institutional degradation. This essay explores—not his understanding of Islam or his views of economics per se—but the thoughts that he expressed on “Islam *and* economics” when he was ABIM President, Minister of Finance, and leader of the post-*Reformasi* opposition. Those thoughts formed the core of a “humane economy” that he envisioned upon his return to active politics from 2006 onwards.

My primary aim here is to reconstruct Anwar’s worldview. To analyse his politics in any depth would require much more work with different materials and approaches. Thus, I am not in a position to reconcile his thoughts at various times with how he has conducted his life. It would be presumptuous to do so. Suffice it for me to offer a critical understanding of how he arrived at his “humane economy” and how his vision acquired personal and political meaning at a critical juncture in Malaysian history. I leave it to the reader to imagine, and for Anwar to decide, whether or where his politics should be defended or criticized.

## **ISLAM AND POST-COLONIAL DEVELOPMENT**

Speaking at the ABIM Annual General Assembly as its president, Anwar often explored economic matters ranging from usury to underdevelopment, and from markets to exploitation. Here he grappled with the realities and agonies wrought by decolonization, arguably the historical challenge to his generation.<sup>8</sup> The ideas, principles and lessons that he learned from a pantheon of Islamic thinkers, international Islamic movements, and various non-Muslim figures made him profoundly disenchanted with conditions of decolonization in Malaysia, the Third World and

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<sup>8</sup> Just as it was the Mahathir generation’s to face the anxieties of colonial rule.

other Muslim countries. He censured the failings of decolonization that marred the economic, political and social realities in independent nations. Underdevelopment caused poverty and misery. Exploitation created inequality and injustice. Perpetuating these blights was an undemocratic and oppressive political system. Anwar had no quarrel with freedom from colonial subjection in principle. But decolonization in reality was like a false dawn twice over. First, “true colonialism has not ended”, evident when the “myths of foreign investment, manpower and technical assistance have been adequately exposed”, and as one encountered “economic imperialism [and] the transfer [out] of untold wealth in the name of foreign investment and cooperation in development enterprises”.<sup>9</sup> Second, national development plans “announced with attractive objectives” only “increas[ed] the wealth of a small group while the people are more destitute and impoverished everywhere”.<sup>10</sup> There were, Anwar charged, “develop-and-demolish efforts, and the implementation of systems of usury, expropriation, gambling, corruption and prostitution in the name of development”.<sup>11</sup>

To pursue modernization, the elites embraced Westernization. The Western model, however, entrapped the independent nation in economic dependency, political subordination, elite collusion, and social fragmentation. If one emulated the West, which “achieved change after change, the industrial revolution and progress in trade without pacifying their savage passions”,<sup>12</sup> one’s economic development was bound to proceed “alongside the collapse of standards of humanity” and be little

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<sup>9</sup> Anwar Ibrahim, “Jelaskan Wadah Perbaru Tekad: Pesanan Buat Jenerasi Muda Islam” [Clarifying the Movement, Renewing the Will: Message for the Young Muslim Generation], President’s Speech, 4th ABIM General Assembly, Kelang, Selangor, 7 December 1975, p. 5. Excerpts from Anwar’s ABIM speeches were translated from the original Malay text by the author.

<sup>10</sup> *Ibid.*, p. 16.

<sup>11</sup> *Ibid.*

<sup>12</sup> *Ibid.*, p. 5.

better than “modernization that [led] to dehumanization”.<sup>13</sup> An awareness of this predicament eluded “the nationalists who were nurtured by the colonizers and who ... paid lip service to opposing colonialism but actually inherited their attitudes and philosophy of life”.<sup>14</sup> For instance, they did not display “any concern besides occasional sighs that the exploitation of labour at the lowest possible wages is perhaps a modern and respected form of slavery”.<sup>15</sup> To them, once a nation had “freed itself from colonial shackles” it was time “to be pragmatic, give content to independence and develop the nation”.<sup>16</sup> Anwar disagreed. He meant “to extend the issue of colonialism to ward off the attack from the West and the splinter groups that have been contaminated by it”.<sup>17</sup> He saw no reason to be “grateful for violations of the people’s rights with the excuse that the facts of life and pragmatic steps guarantee national progress and development”—when “a small group is vigorous and fruitful while the people’s disquiet can be contained and fully controlled by harsh laws that intimidate the people and deny basic human rights”.<sup>18</sup> He noted that in Malaysia “despite efforts in rural development, oppression and exploitation of farmers by landlords, small businessmen and capitalists in the villages remain”.<sup>19</sup> Faced with export-oriented industrialization at home he derided “Free Trade and Industrial Areas” in “satellite states” for only producing “negative outcomes”.<sup>20</sup> He argued that “link[ing] the concept of development to policy planning in Malaysia” would “only be meaningful if it involves a social transformation that is more

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<sup>13</sup> Ibid., p. 16.

<sup>14</sup> Ibid., pp. 3–4.

<sup>15</sup> Ibid., p. 5.

<sup>16</sup> Ibid., p. 3.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid., p. 5.

<sup>19</sup> Anwar Ibrahim, Official Speech, 9th ABIM Annual General Assembly, Petaling Jaya, Selangor, 28–31 July 1980, p. 22.

<sup>20</sup> Ibid., p. 7.

comprehensive”.<sup>21</sup> Otherwise, “to affix the *label* of Islam to a system that still permits usury and alcohol, exploitation and gambling is an insult to Islam”.<sup>22</sup>

For Anwar, Western theories of development excluded a moral vision of man from their premises and obsessions only to bring crass materialism, loss of spirituality, decline of morality, and degeneration of character. His own “holistic critique” of development, given at the 1980 ABIM Annual General Assembly, was unpersuasive.<sup>23</sup> He dismissed orthodox and heterodox theories of economic development, but by eclectically borrowing (Western and Third World) conservative and liberal rebuttals of socialism, and radical criticisms of capitalism. His audience must have found it rousing to hear him pronounce that:

We do not accept the statement, “Islam is anti-communist!”  
Period: as if that implies Islam is compatible with the capitalist system. It is the same with the statement, “Islam is anti-capitalist.”  
Period: with hope that the principles of Islam can be merged with the doctrine of Marx.<sup>24</sup>

Yet that was mere polemic, not a methodical critique of the structural or systemic faults of capitalism, socialism, or any other model of development. Anwar did not offer a coherent conception of “Islamic economics and development”. But he made the developmental outcomes of decolonization a central issue of religion.<sup>25</sup> He impressed upon ABIM

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<sup>21</sup> Ibid., p. 21.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid. Not much is quoted from this speech here because it is unclear if Anwar wrote its “theoretical” sections.

<sup>24</sup> “Jelaskan Wadah Perbaru Tekad”, p. 14.

<sup>25</sup> A point suggested by this excerpt: “When al-Banna saw the British living in luxury in the Suez Canal Zone, he was moved to tears by the contrast with the miserable hovels of the Egyptian workers. He saw this as a religious problem that needed an Islamic solution” (Karen Armstrong, *Islam: A Short History* (London: Phoenix Press, 2001), p. 133).



members that to answer the call of Islam was to grasp and resolve the economic problems of the *ummah* and Malaysian society. Perhaps it was more than coincidence that the most famous incident in ABIM's activities of the 1970s was its support for the 1974 Baling farmers' demonstration against rural poverty—which supplied the pretext for Anwar's detention under the Internal Security Act.

How Anwar might have expanded his views on Islam and economics within an ABIM framework cannot be known since he left ABIM and joined UMNO in February 1982. Public curiosity in his motives for embracing UMNO was trained on what he would do for Islam and what he could get for himself.<sup>26</sup> Most observers assumed that he would bolster Mahathir's policy of Islamization at the expense of PAS's appeal and ABIM's influence. Within six months of leaving ABIM, Anwar was a Member of Parliament (MP), a Cabinet minister, and UMNO Youth President. Yet only after he was appointed Minister of Finance in 1991 did Anwar return to "Islam and economics". Then he gave Islam a place in economic and financial management where previously he had inserted a critique of development into his conception of Islam.

## **MORAL AMBIVALENCES IN EUPHORIA AND CRISIS**

Minister of Finance Anwar Ibrahim could not have wished for a more fortunate start to his tenure. A post-Plaza Accord influx of East Asian FDI into export-oriented industrialization had boosted growth and expanded employment, thus solving the two most difficult problems of the previous decade. Large inflows of foreign portfolio investment fed the expansion of financial markets, too. The current accounts deficit, the federal government's deficit, and the level of external debt were substantially reduced. The government could "plan the national Budget with complete confidence", Anwar observed, because it had "inherited a very strong and

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<sup>26</sup> On the likely reasons for Anwar's move to UMNO, see Allers, *Anwar Ibrahim*, pp. 67–72.

sound economic situation”.<sup>27</sup> It seemed as if he had only to adhere to the prevailing policy regime to attain macroeconomic stability—low interest rates, realistic foreign exchange rate, controlled inflation, balanced budget, and high foreign reserves—and leave it mostly to domestic and foreign private investment to drive economic growth.

Anwar’s tenure in Finance was also a time of frenzied money-making. Large-scale public infrastructural projects, high levels of private investment, accelerated privatization, bountiful credit, and rising speculation created opportunities, not least via networks of political patronage, to amass great corporate and individual fortunes. No one was prouder of the national economic advance than Anwar, none better placed to witness the attendant profligacy, corruption and lack of moral conscience. Even if he wanted to, Anwar could not substantially alter the framework of economic management bounded by the grand statist aspirations pushed by Mahathir, and Malay capitalist ambitions exemplified by former Minister of Finance Daim Zainuddin.

Rather, Anwar lent an Islamic edge to his financial policies and budgetary priorities by insisting that economic development be ennobled by religiosity (Islam) and morality (good governance). He injected Islamic observances on frugality, anti-corruption and moral reformism into the non-technical, non-numerical interstices of his Supply Bill (“Budget”) speeches from 1991 to 1996. His Budget strategies included calls to “foster thrifty and frugal attitudes to encourage savings”,<sup>28</sup> and “ensure frugal fiscal management”.<sup>29</sup> He warned that the “tendency of spending without direction and control in times of growth would affect long-term

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<sup>27</sup> Supply Bill 1992, *Parliamentary Debates*, House of Representatives, Eighth Parliament, First Session, 1 November 1991, column 12702. All excerpts from all the Budget Speeches cited in this essay were translated from the original Malay text by the author.

<sup>28</sup> *Ibid.*, column 12710.

<sup>29</sup> Supply Bill 1993, *Parliamentary Debates*, House of Representatives, Eighth Parliament, First Session, 30 October 1992, column 7302.

economic sustainability”.<sup>30</sup> He rejected another “tendency to waste [allocations] with excuses of social responsibility, helping the *bumiputera* or the poor”.<sup>31</sup> It was necessary “always to be frugal in expenditure to build resilience in handling all challenges that arise”.<sup>32</sup> He was adamant that “it would have been impossible for the country to record its present excellent progress”,<sup>33</sup> were its leadership riddled with corruption. But the government had to reject “corruption, extravagance and careless financial management”,<sup>34</sup> so that its “authority and clean image” would not be smeared by the actions of “a dirty few”.<sup>35</sup> Once, Anwar taught a lesson from Ibn Khaldun that “the collapse of a society always begins with wastage, corruption and mental baseness”.<sup>36</sup> Sometimes he cited higher authority such as the Prophet’s “stern warning” that “Allah curses the receiver, the giver, and the intermediary of corruption”.<sup>37</sup>

Anwar attached moral dimensions to practical concerns. Corporate entrepreneurs, he advised, “should always have ethical principles and not be blurred by greed”.<sup>38</sup> In Parliament he praised Hajatul Islam Imam Al-Ghazali who advocated social reform based on *ad-adl wal-ihsan* (justice and beneficence) and opposed a system of taxation that burdened the people.<sup>39</sup> One should not “look lightly upon material aspects”, Anwar advised, since mismanagement could “bankrupt a country, leave its

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<sup>30</sup> Ibid., column 7301.

<sup>31</sup> Ibid., column 7303.

<sup>32</sup> Supply Bill 1994, *Parliamentary Debates*, House of Representatives, Eighth Parliament, Third Session, 29 October 1993, column 7814.

<sup>33</sup> Supply Bill 1992, column 12745.

<sup>34</sup> Ibid., column 12746.

<sup>35</sup> Supply Bill 1993, column 7338.

<sup>36</sup> Supply Bill 1995, *Parliamentary Debates*, House of Representatives, Eighth Parliament, Third Session, 28 October 1994, column 6287.

<sup>37</sup> Supply Bill 1996, *Parliamentary Debates*, House of Representatives, Ninth Parliament, First Session, Third Meeting), 27 October 1995, column 19.

<sup>38</sup> Supply Bill 1992, column 12747.

<sup>39</sup> Supply Bill 1995, column 6288.

people dejected, and turn aspirations into mere dreams”.<sup>40</sup> Against critics of the government, he did protest, surely too much, that Malaysia’s “philosophy of national development” was not materialistic (*maddiyah*) per se, he claimed; it had “pure aspirations”—“to raise human dignity, reaffirm freedom (*mengisbatkan kebebasan*), to root out and abolish unrest in society, to reflect the height of reason (*akal budi*)”.<sup>41</sup> His basic idea was to construct a civil society (*masyarakat madani*) that ordered the relationship between state and society. He drew sagely advice outside Islam. For him development based on *ad-adl wal-ihsan* met Confucius’s principle of reciprocity between ruler and ruled.<sup>42</sup> Anwar referred approvingly to ancient India’s Kautilya, whose treatise on statecraft, *Arthashastra*, counselled the ruler thus: “Make the happiness of the people the happiness of the ruler, the welfare of the people the welfare of the ruler; what pleases the government is not real pleasure except that which pleases the people themselves.”<sup>43</sup>

Even as Deputy Prime Minister, Anwar was apparently not done with the ethics of his youth. Moral ambivalences beset him. Could the dominant narrative of economic success also be a narrative of social flaws? Should not the “development that we advance [be] all-encompassing, infused with the pure value of human life [because] we cannot build factory, warehouse and infrastructure while bringing down human morals and dignity”?<sup>44</sup> He held that “prosperity is not likely to be sustainable or secure if it prioritizes wealth accumulation but neglects social justice and trivializes social problems”.<sup>45</sup> The economy in 1993

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<sup>40</sup> Supply Bill 1996, column 62.

<sup>41</sup> Ibid.

<sup>42</sup> Supply Bill 1995, column 6290.

<sup>43</sup> Supply Bill 1996, column 62.

<sup>44</sup> Supply Bill 1995, column 6288.

<sup>45</sup> Supply Bill 1996, column 14. Anwar Ibrahim, *The Asian Renaissance* (Singapore: Marshall Cavendish, 1996), p. 81, cited *Human Development Report 1996* that improperly managed economic growth would harm human development for being *jobless, ruthless, voiceless, rootless, and futureless* growth (original italics).

had its seventh consecutive year of growth. Amidst rejoicing, Anwar recalled “the reminder of Allah SWT in Surah Yusuf, that is, seven years of plenty should be our preparation for seven years of drought”.<sup>46</sup>

“Drought” came in July 1997. No one was prepared for it. The Asian financial crisis depreciated the national currency, destabilized the financial system and wrecked the economy. What was to be done when a proven policy regime of fiscal prudence, high savings and balanced budgets was undone? Anwar was tugged in one direction by the financial markets and the International Financial Institutions (IFIs). He was pulled in the opposite direction by Mahathir. To calm the volatility in foreign exchange and equities, Minister of Finance Anwar could not disregard market sentiment or IFI orthodoxy. To save the state’s developmental project and corporate allies, Deputy Prime Minister Anwar could not defy the Prime Minister. As an irreconcilable divide opened between national state and global market, Anwar faced a devil’s choice. He could bow to the market—as did the regimes of Thailand, Indonesia and South Korea—or dig in with the state as Mahathir insisted.

In his 1996 book, *The Asian Renaissance*, Anwar struggled to balance state and market. He regretted that Asia’s state-led advance had produced “overtones of arrogance and trumpets of triumphalism” that led their elites to gloss over their “moral entropy, corruption, nepotism and other excesses”.<sup>47</sup> Still, he disdained “sophisticated new arguments ... to prove the virtue of the market and the harm of [state] intervention”, blind to “regular bouts of financial frenzy leading to panic and crises”.<sup>48</sup> Faced with crisis, Anwar shed his ambivalence. He tilted to the IFI-market cure of “transparency, accountability, and good governance”.<sup>49</sup> He surveyed the region’s turmoil with equanimity: “It is as if the crisis unleashed a

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<sup>46</sup> Supply Bill 1994, columns 7813-14. He repeated the reminder two years later (Supply Bill 1996, column 22).

<sup>47</sup> Anwar, *Asian Renaissance*, p. 39.

<sup>48</sup> *Ibid.*, p. 79.

<sup>49</sup> Bank Negara Malaysia, *Annual Report 1997* (Kuala Lumpur), p. 80, stressed “transparency in policy-making”.

gale of creative destruction, which some say is the law of progress in a market economy”.<sup>50</sup> Over the chaos he moralized with pro-market idiom:

It is creative destruction that will cleanse society of collusion, cronyism and nepotism. The result will be a leaner and revitalized market economy, based on fairness and competition on a level playing field, where big corporations, small businesses and all citizens have equal access to capital and resources.<sup>51</sup>

## SETTINGS FOR A NEW DAWN

How did the MPs feel being lectured by Anwar in his moralizing manner? Did they doubt his sincerity since “Anwar’s lieutenants did not flinch from using methods of ‘money politics’ ... outbidding, out-influencing and dominating rivals in the party and government”?<sup>52</sup> Did they dismiss his anti-corruption strictures as being hypocritical for he had around him a corporate cabal?<sup>53</sup> Were some MPs amused that the

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<sup>50</sup> Anwar Ibrahim, “A Wave of Creative Destruction Is Sweeping Asia”, *New York Times*, 2 June 1998.

<sup>51</sup> Ibid. Did Anwar overlook that Mahathir must have felt targeted by the reference to “collusion, corruption and nepotism”, a slogan of the *Reformasi* movement in Indonesia that overthrew Soeharto.

<sup>52</sup> Khoo, *Beyond Mahathir*, p. 94. I offer this excerpt to correct an erroneous reading of my supposedly “exculpatory” view of “Anwar’s antics” (Ahmad Fauzi Abdul Hamid, “Review of Charles Allers, *The Evolution of a Muslim Democrat: The Life of Anwar Ibrahim*”, *SOJOURN* 29, no. 3, November 2014: 766–69). Ahmad Fauzi, whom I respect as a scholar and colleague, cited Allers as “balancing” my “view” with the “analyses proffered by scholars critical of Anwar’s having indulged in patronage politics such as K.S. Jomo, Edmund Terence Gomez ...” In fact Allers writes that “Khoo Boo Teik concurs [with Gomez and Jomo]” on that point (*Anwar Ibrahim*, pp. 94–95).

<sup>53</sup> A former MP, who prefers not to be named, said that most MPs were too inured to the pervasive corruption to care. Anwar’s role in “UMNO factionalism and money politics” is concisely examined in Edmund Terence Gomez and Jomo K.S., *Malaysian Political Economy: Politics, Patronage and Profits* (Cambridge: Cambridge University Press, 1997), pp. 124–30.

man had intellectual pretensions they could harmlessly humour? Had no one in Anwar's audience seriously noted much else, such as his impulse to reform the economy and society whose conscience he set out to be?

While he was Minister of Finance, Anwar held his moral ambivalences in check. He expressed some unease over the realm of money but limited himself to raising an ethical counterpoint to (Mahathir's) statist ambitions and (an emerging politico-corporate elite's) cynical materialism. One exceptional moment came in 1997 when he was Acting Prime Minister while Mahathir took a vacation. Then Anwar openly and sternly threatened to pursue and prosecute the corrupt. His fall turned unease into fury. In the days of prosperity, he tried to be the conscience of Malaysian capitalism. Now he would tame its corporate world. Quite likely in the isolation of his prison but also based on his grasp of prevailing conditions when he was free, he worked out a moral economy based on three main tasks: reverse economic decline, curb elite abuses of power, and implement an equitable social policy agenda. Most of Anwar's views and ideas are set out in two PKR documents, namely, *Malaysian Economic Agenda* (hereafter, MEA<sup>54</sup>) and *KeADILan Manifesto 2008: A New Dawn For Malaysia* (hereafter PKR 2008<sup>55</sup>), and his parliamentary speeches during the budget debates from 2009 to 2013 when he was the Opposition Leader, that were compiled in *Perentas Ekonomi Zaman: Kompilasi Ucapan Perbahasan Bajet Ketua Pembangkang* (hereafter PEZ<sup>56</sup>). In spirit he drew on the dissident Islam of his youth and the governance concerns of his tenure in finance.

### *i. Market for Renewal*

The point of departure of Anwar's vision was the decline of the Malaysian economy. Its "halcyon days of eight per cent growth" were over, its pre-crisis "aura of invincibility" vanished (MEA, p. 1). Once the

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<sup>54</sup> Subsequent excerpts bear the page number(s) after "MEA" in parentheses.

<sup>55</sup> Subsequent excerpts bear the page number(s) after "PKR 2008" in parentheses.

<sup>56</sup> Subsequent excerpts bear the page number(s) after "PEZ" in parentheses. No publication details were given in PEZ. All excerpts from the original Malay text were translated by the author.

second most popular FDI destination in Southeast Asia, Malaysia had slid to sixth (MEA, p. 4), “displaced by the new booming economies of China and Vietnam” (MEA, p. 1). Flawed conception, implementation and management, Anwar argued, caused Mahathir’s pet projects of economic transformation, heavy industrialization and privatization to incur enormous costs to “no tangible success” (MEA, p. 5). The Look East Policy, the Multimedia Super Corridor, and “pouring billions into ... heavy industries [and] ICT” evidently “did not seed a vigorous movement for innovation in research and development”, for Malaysia remained “a poor adopter and adapter of other people’s ideas” (MEA, pp. 5–6). Whereas Mahathir blamed external parties for the economic difficulties at home, Anwar targeted “our self-ostracism”, by which he meant Mahathir’s capital controls of 1 September 1998, that “resulted in loss of our competitive edge, in terms of attracting foreign direct investment” (MEA, p. 4). It was self-defeating then to preserve the “special Bumiputera equity requirements” that hampered “the bid by local capital markets to attract international listings” (MEA, p. 4). It was damaging that “our capital markets have also lost good local listings which opt for other bourses to escape Bumiputera equity requirements and other forms of red tape” (MEA, p. 4). But rather than face an “unforgiving but irreversible” globalization, Anwar scoffed, Mahathir reacted “like a turtle pulling back into its shell following the 1997 Asian currency crisis” (MEA, p. 4). In short, “our marginalization” was due to “our faults”—the failed policies of the past, uncorrected malpractices of the present, and fear of future global conditions (MEA, p. 1).

“At every juncture,” the PKR 2008 charged, “the government has implemented anti-market policies designed to benefit itself and its cronies, at the expense of ordinary Malaysians” (PKR 2008, Pt II). But “if we continue along the same path”, the PKR 2008 warned, “our descendants will inherit a fourth class economy and a divided nation” (PKR 2008, Pt II).<sup>57</sup> Anwar saw no alternative to “abiding by WTO and AFTA rules,

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<sup>57</sup> In “A Wave of Creative Destruction Is Sweeping Asia”, Anwar had written, “The road to destruction is paved with stubbornness in sticking to old modes of thinking.”



[giving] up the rent-seeking mentality and pursuing transparency and competitiveness” (MEA, p. 8). One simply had to “revamp the existing policy framework, institutions, procedures and processes that deter FDI” (MEA, p. 8). Whereas the prevailing, “heavily-regulated market, coupled with highly opaque government operations, cripple[d] the economy and discourage[d] investment”, the MEA staked economic revival on a “well-regulated market, with a government willing to enforce contracts and deal fairly with the people” (PKR 2008, Pt II). “If our markets are strong and unfettered, and if our laws are transparent and enforced by impartial judges,” the resultant “stable and clean business environment” would attract more investment than “tax breaks and quotas handed out by a corrupt and opaque government” (PKR 2008, Pt II).

## *ii. The Failings of the Elites*

Anwar dissected the ruling elite’s capture of policy, abuses of power, diversions of public resources, exacerbation of the wealth inequalities between elites and ordinary people, and so on. The MEA and the PKR 2008 were notably severe on elite abuses of privatization. In his time Anwar had defended privatization, though he was aware that “unregulated privatization [was] fertile ground for monopoly and other forms of rent-seeking behaviour to thrive”.<sup>58</sup> Privatization presently bore the “negative legacy of Mahathirism” (PEZ, p. 57)—“privatizing profits and nationalizing losses”—that accounted for national fiscal deficit over a decade and a half (PEZ, p. 53). Even the national oil company, PETRONAS, was treated “like a piggy bank that can be broken into any time to fund bailouts, such as the purchase of a stake in PROTON”, or provide “subsidized fuel to the tune of billions” to the Independent Power Producers (MEA, p. 7). Abdullah Badawi’s regime promoted various “development regions” and “assorted corridors”, which Anwar dismissed as “reinvented ways of redistributing the country’s wealth among a handful of elite Malaysians” (PKR 2008, Pt II). Anwar was appalled at

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<sup>58</sup> Anwar, *Asian Renaissance*, p. 91.

the “insane privatization” (PEZ, p. 40) conducted “at such a rate that all the people’s valuable property has been auctioned in the blink of an eye” (PEZ, p. 41). He derided the 2011 “Mega Project Budget” for privatizing “grand physical infrastructure and like projects” by direct negotiation, thus profiting those with close ties to political power (PEZ, p. 52). To Anwar, the Najib Razak regime’s “second wave of privatization” proved that “the bitterness of the privatization that began in the 1980s” had been forgotten.

Anwar was aggrieved that profligacy had displaced his former thrift in government spending. He likened government overspending to “the habit of parents who shop only to bequeath a debt to their descendants” (PEZ, p. 51). Compared with his balanced budgets, the 2010 budget had a deficit of 5.6 per cent, the thirteenth consecutive deficit since 1998 (PEZ, p. 51). Under his watch public debt had been lowered. But under Abdullah Badawi, public debt “was expected to be about 54 per cent [of GDP] in 2009 [with] no special plan to reduce this rate of debt any time soon” (PEZ, p. 51). Meanwhile corruption had “penetrated all parts of government, the private sector and political parties especially UMNO” (PEZ, p. 15). It was corruption embedded in “the award of contracts, concessions and procurements by secret tender, direct negotiations ... not in accordance with correct procedures and formalities” (PEZ, p. 13).

Those failings of financial management formed a malaise that ultimately bred social injustice and inequality. The opaque deployment of PETRONAS’s wealth, for instance, meant that oil resources “belonging ... to Malaysians” leaked away instead of being invested towards “improving the lacklustre and shamefully inept national education system” (MEA, p. 7). Successive regimes refused to reduce the wastage of mega projects or lower the burden of debt repayment; they preferred to withdraw “subsidies” from the people. “We should not be dogmatic or behave unjustly towards the people,” Anwar chided:

if aid is given to cronies and big companies, it is called funding assistance to encourage investment. But if aid, which is actually less, is given to the people, the word “subsidy” is used and a subsidy of 40 sen per litre is depicted as the cause of the economic contraction that we face (PEZ, p. 45).

Whatever the justifications, the distribution of economic benefit was unjust: “the lion’s share has been cornered by the ruling elite in the guise of special Bumiputera shares, contracts and privatization deals that are channeled to well-connected parties” (MEA, p. 2). Hence “upward mobility has not disseminated equally throughout the rank-and-file of ordinary Bumiputeras” and “there is now worsening disparity and despair among the disenfranchised and underprivileged lower classes” (MEA, p. 2). Anwar was scathing towards corruption, which he once called an “insidious blight of mankind”,<sup>59</sup> for inflicting heavy costs on many segments of society:

tens of billions of the people’s money have been embezzled. Imagine how this money could have been used to eradicate poverty ... solve the problem of providing housing to the poor, police and military ... allocate scholarships to many poor and excellent children ... provide welfare facilities for the aged and handicapped so that they are not marginalized from the mainstream of national development (PEZ, p. 13).

One might reverse the trend of mismanagement with mild institutional remedies. For a start, “transparency would free up resources” to improve “mission-critical sectors, such as ... public healthcare, quality housing and ... self-sufficiency in agriculture” (MEA, p. 8). Just redeploying resources well would “build up economic vibrancy by targeting human capital, notably by investing in quality education for the masses” (MEA, p. 8). The MEA wanted accountable machinery “to reallocate scarce government resources to provide value for citizens, instead of burdening them with ever-increasing charges while quality of life erodes” (MEA, p. 8). The MEA looked to equitable allocation “to ensure that funding goes to the have-nots rather than affluent haves who do not require government crutches” (MEA, p. 8). Another measure was to place “profit generators”, such as PETRONAS and major GLCs, under the care of

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<sup>59</sup> Ibid.

Parliament to prevent abuse, promote transparency and “ensure the nation’s profits are funnelled back to its people, and not to limited vested interests” (PKR 2008, Pt II).

Deep disorders, however, required drastic solutions: Anwar meant to “dismantle networks of corruption, monopolies that disadvantage consumers in industries like telecommunications and banking, as well as protectionist policies that only benefit vested interests” (PKR 2008, Pt II). With anti-trust spirit, as it were, he vowed to “break monopolies and backroom deals that have allowed politically linked corporate interest to reap vast and disproportionate profits at the expense of working Malaysians” (PKR 2008, Pt III). “With KeADILan’s political will to combat corruption, wastage and mismanagement,” Anwar predicted, “an 8 per cent per annum growth rate [would be] perfectly achievable” (PKR 2008, Pt II).

### *iii. Towards a Humane Economy*

A “humane economy”, Anwar wrote, required the “promotion of a clear social agenda”.<sup>60</sup>

At the most basic level, his social agenda would attend to the mundane concerns of the populace. Whereas “unjust financial burdens have been heaped on ordinary Malaysians in these past few years” (PKR 2008, Pt IV), he spoke of “reducing the cost of living and increasing the real spending power of working Malaysians” (PKR 2008, Pt IV). For example, he promised that, “Tolls and tariffs will ... no longer be raised unreasonably to satisfy conglomerate and corporate interests” (PKR 2008, Preamble). He intended to terminate “policies meant to protect vested interests instead of ordinary Malaysians” that caused the consumer’s “inability to buy more than one bag of sugar at the local market or a car at the price paid by the rest of the world” (PKR 2008, Pt II). Seeing that “the rich are universally opting out for private education and the poor are stuck with substandard schools, colleges and

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<sup>60</sup> Ibid., p. 92.

universities” (PKR 2008, Pt V), Anwar planned to restore the quality of public education, a crucial area of post-independence social progress. He pledged to “guarantee access to quality health care by lower and middle income earning Malaysians” (PKR 2008, Pt IV). He sought to allay the alarm over rising urban crime by preserving “the ability of the police to serve and protect ordinary Malaysians” (PKR 2008, Preamble).

At a socially focused level, the MEA was “a policy that ensures assistance to all poor Malaysians regardless of race” (PKR 2008, Preamble). Its solutions seemed self-evident provided one “move[d] past race-based rhetoric” and thwarted “the desire of the ruling clique to protect vested interests and the status quo” (MEA, p. 8). Here, Anwar made his politically boldest and riskiest proposition. He drew a singular moral of economic renewal: the MEA spelt the end of NEP—not the *original* NEP, but *actually existing* NEP which had been debased to “NEPotism” (MEA, p. 1) and “UMNOputeraism”.<sup>61</sup> It was essential to “rewrit[e] our affirmative action programme” (MEA, p. 7) to assist “rank-and-file ... Bumiputeras”, and “disenfranchised and underprivileged lower classes” (MEA, p. 2); “the poor and underprivileged regardless of race and religion, whether ... the Tamil labourer on the plantation, the small-town Chinese shopkeeper or the Malay farmer” (MEA, p. 8); in other words, “the masses—Malay, Chinese and Indian brethren” (MEA, p. 8). The MEA transmitted a telling “non-ethnic” point: the defect of *actually existing* NEP was its obsolescence for a strategy of economic renewal. It should be replaced by “affirmative action based on need, not greed, for all Malaysians irrespective of race” (PKR 2008, Pt I). Anwar did not expect his new mode of affirmative action to provoke a sense of insecurity or neglect in any ethnic community since “Malays who make up the majority of Malaysia’s poor will be fully assisted along with poor Orang Asli and Orang Asal, Ibans, Kadazan-Dusuns, Indians, Chinese, and so on” (PKR 2008, Pt II).

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<sup>61</sup> The term UMNOputera, denoting a “prince of UMNO”, was a pun that placed UMNO in front and the bumiputera behind. I wish to thank Lee Hwok Aun for suggesting that NEP is often conflated with UMNOputeraism.

In his campaign to abolish the NEP, Anwar attacked the venality of the “cronies and friends of the powers that be”.<sup>62</sup> The NEP had become “a gimmick for those in power in UMNO to virtually rob wealth opportunities for themselves”,<sup>63</sup> he maintained, so that “the most damning case against the NEP” was its “hijack by the ruling elite to satisfy their lust for wealth and power”.<sup>64</sup> He bypassed the ethnic partisanship that haunted the NEP by insisting that UMNO was not the only guilty party in this matter: “the leaders of the component parties of the ruling coalition working hand in glove with UMNO” manipulated the NEP as “a multi-racial rip-off of the most systematic kind ... to deprive the deserving Malays, Chinese, Indians, Ibans and Kadazans of the benefits that were to be derived from the NEP.”

It is difficult to determine the impact that Anwar’s dissident policy agenda exerted on Malaysian politics. At the general election of March 2008, the Anwar-led combined opposition made sweeping gains in Peninsular Malaysia, the principal terrain of the political system. Taken at face value the election results hinted that Anwar’s ideas and views were acceptable to urban and semi-urban ethnically mixed constituencies. There, voters who wearied of racial politics, high-level corruption and the regime’s unfulfilled promises, pinned their hopes on the reformist platforms of a rejuvenated opposition. Anwar raised a similar reform agenda at the general election of 2013 when the opposition coalition fought the ruling coalition to a stalemate on the peninsula. Yet the latter held onto power and Anwar’s agenda was not rendered into national policy.

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<sup>62</sup> Anwar Ibrahim, Address at the Asian Financial Crisis Seminar, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore, 22 August, 2007.

<sup>63</sup> Bede Hong, “NEP an UMNO Gimmick to Rob Malays: Anwar”, *Malaysiakini*, 20 November 2006, <https://www.malaysiakini.com/news/59844> (accessed 3 May 2017).

<sup>64</sup> Anwar Ibrahim, Keynote address at the CLSA Corporate Access Forum, Singapore, 20 May 2008.

## AWAKENINGS AND ALTERNATIVES

What, then, is significant about Anwar's conception of a humane economy?

One answer is personal: it adds to a biographical understanding of the oft-misunderstood Anwar. He had shockingly fallen from the pinnacle of his career. Its political ramifications aside, his experience of defeat, the first in thirty years as activist and politician, had to lead him to deep introspection. He has given glimpses of his experience and the thoughts that occupied him in six years of imprisonment. He had to come to terms with his conscience. Before he was co-opted by Mahathir, Anwar mused that "entering [UMNO] to reform it was like cleaning a septic tank from the inside".<sup>65</sup> His suffering rekindled his youthful revulsion at UMNO's corruptibility. Being in prison, he recounted, "made me realize that I underestimated the force of the vested interests that are committed to derail reform".<sup>66</sup> "I was probably a bit too simplistic," he consoled himself, "and the forces of power and the orchestration and machinations of authority that don't share those views can make things very, very difficult".<sup>67</sup> He had, unpardonably given his ABIM idealism, mistaken foes for friends. Rising in UMNO and the government, he had mixed with the wrong lot, politico-corporate characters who pandered to the "anointed successor" to gain his favour. Those people overwhelmingly deserted him in his hour of need. But ordinary people rose up for him, asking nothing of him. They fought for what was just, at the price of their own repression. Anwar's narrative of reform was as much an awakening for him as *Reformasi* was for those who rallied to his fight against the regime.

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<sup>65</sup> Steven Gan's recollection, cited in Andrew Sia, "Anwar's New Agenda", *The Star*, 8 April 2007.

<sup>66</sup> Zari Bukhari and Shawn W Crispin, "Malaysia's Anwar Ibrahim Speaks His Mind", *Asia Times online*, 8 August 2006, [http://www.atimes.com/atimes/Southeast\\_Asia/HH08Ae01.html](http://www.atimes.com/atimes/Southeast_Asia/HH08Ae01.html) (accessed 25 August 2016).

<sup>67</sup> Quoted in Jane Lyons, "Back and Ready to Weave His Magic", *Sydney Morning Herald*, 11 August 2007.

A second answer is discursive and ideological. The dominant discourses of the 1997 financial crisis assumed that only the confrontation of national state with global market mattered. Anyone else caught in the strife was collateral damage. But who lives or dies in an economic crisis? Who is rescued or abandoned? Such are not issues of nationalist stances or globalizing currents alone. They are questions of class and power. The threat of the 1997 crisis to subaltern classes—the middle, lower, disenfranchised and underprivileged strata of society—was not the destruction of huge personal fortunes, which they did not possess, or the collapse of conglomerates they did not control. Those classes suffered variously from the currency depreciation, asset devaluation, and economic recession. Malay or non-Malay, they knew that Mahathir deployed public funds to bail out “too big to fail” corporations. They knew that the system’s built-in “cables” linked corporate influence to political power. Pre-crisis prosperity, diffused by state programmes or gained via market mechanisms, had lulled the subalterns into complacency. Thereafter the crisis cowed them: no one had imagined a calamity of its kind and scale before. They might have remained passive had Anwar slunk away in disgrace. But he redeemed himself with a spirited defiance of Mahathir, and subaltern dissent erupted against the regime. The *Reformasi* movement warmed to Anwar’s denunciation of the “collusion, corruption and nepotism” of an “opulent and greedy clique” whom he blamed for causing his fall.<sup>68</sup> With his sensitivity to grassroots sentiment Anwar envisioned a moral economy that would repay the support of his enlarged mass base. His vision complemented efficiency with welfare, growth with redistribution, and development with compassion. That was his way of reconciling state and market, too, by stipulating a just administration of the former to tackle the inequities of the latter.<sup>69</sup> His

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<sup>68</sup> Permatang Pauh Declaration, Penang, 12 September 1998.

<sup>69</sup> Regarding inequality as an “inevitable consequence” of “free-market capitalism”, Anwar rejected “trickle-down economics” as the “weak justification” of “so-called collateral benefits created by capitalist predators”; he wanted “social policy that acts in the service of social justice and sustainability” (“Confronting Authoritarianism”, p. 8).



ideal was a “humane economy” moved by moral and social renewal and renaissance. Anwar never spoke the language of class, let alone class conflict.<sup>70</sup> Nor did he resort to racial gamesmanship in his political return.<sup>71</sup> Instead he conceptualized Malaysia’s socio-economic divides in a familiarly populist polarization. At one end gathered an “opulent and greedy clique” of elites, cronies, tycoons, and their families. At the opposing end stood the people, commoners and subalterns of all ethnic identities. The fortune of the one was the injury of the other. All that was mismanaged profited the elites. Much that would benefit the people must come from reform. To this ideological construction Anwar added a moral tone of justice, a tone that came naturally to him via the religious certitude of his youthful Islam and the moral ambivalences that crept into his Budget Speeches before “plenty” yielded to “drought”.

Finally, it is fair to ask whether Anwar’s “humane economy” has a place in the present political situation. At one level, the “humane economy” seems unattainable. Pakatan Harapan won power in May 2018 but its government imploded in February 2020, aborting Harapan’s plan for a transition of leadership from Mahathir to Anwar. Consequently, Anwar’s might just be another titillating vision. But there is a complex, perhaps hopeful, answer to the question. The “humane economy” was at once a critique of “the way things are” and an imagining of “how things can and should be”. For twenty years after September 1998, opposition

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<sup>70</sup> “I don’t like the word ‘class’. I’m not a Marxist” (Anwar Ibrahim, quoted in Ian Buruma, “Eastern Promises”, *New Yorker*, 11 May 2009, <https://www.newyorker.com/magazine/2009/05/18/easternpromises>; accessed 10 January 2016.) Yet Anwar reportedly told the crowd at a Kuala Lumpur rally on 27 March 2012 that the opposition would be “fighting a class war” in the 13th General Election. “This battle, this election is about the masses, the workers, the low-income earners against the rich cronies of UMNO” (Anwar, quoted in Shannon Teoh, “Anwar: GE13 a Class War”, *Malaysian Insider*, 28 March 2012, <http://www.themalaysianinsider.com/malaysia/article/anwar-ge13-a-class-war/>; accessed 28 March 2012).

<sup>71</sup> Anwar is the first major Malay leader to reject “UMNO-lite” or “UMNO-plus” Malay politics after exiting UMNO.

parties, dissident civil society and restive segments of the population thought afresh the ways in which things ought to change. Under difficult conditions, in one area after another—coalition-building, consultative leadership, electoral manifesto, civil society networks, mobilizing techniques, popular culture, etc.—they created “alternatives”, to use an anti-regime code of the time. To that collective and relentless effort of reinvention, Anwar contributed the “humane economy”. Unlike the NEP and Vision 2020, his vision was not top-down. It had no blueprint for implementation. What mattered was its dissident, anti-elitist and populist critique of corrupt conditions serving as the basis for reforming an unjust system. Like its pre-Harapan predecessors, the present regime baulks at undertaking substantive policy and institutional reforms. The resulting stasis is aggravated by the global upheaval wrought by the COVID-19 pandemic and the USA-China trade war. With Malaysia facing a more unpredictable future than in 1998, can one foreclose a political scenario where organized opposition revitalizes its challenge, with or without Anwar’s leadership, driven by a “humane economy” as its vision?

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