

# PERSPECTIVE

RESEARCHERS AT ISEAS – YUSOF ISHAK INSTITUTE ANALYSE CURRENT EVENTS

**Singapore** | 17 August 2018

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## **Mahathir Mohamad Returns, but what of Mahathirism?**

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### **EXECUTIVE SUMMARY**

- Fifteen years after he retired as Prime Minister, Dr Mahathir Mohamad returned to that position following Malaysia's 14<sup>th</sup> General Election. The question now is, Will 'Mahathirism', variously understood, return with him?
- Some components of Mahathirism can be expected to reappear in Mahathir's new policies. He does not have the time to reinvent his ideology substantially, especially when in accordance with the ruling coalition's internal consensus, he will be Prime Minister for only two years.
- The grand ideological construct of the old Mahathirism cannot be reproduced because the old nationalist-capitalist project it previously served cannot be rebuilt to its former scope. In an unfamiliar context of 'regime change', Mahathir's current administrative priorities and his political debts to his Pakatan Harapan allies are bound to produce modifications of Mahathirism.
- Instead of imposing authoritarianism again, as skeptics warned before the general election, Mahathir has shown an uncharacteristic commitment to democratic and institutional reform.

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## **INTRODUCTION**

At Malaysia's 14<sup>th</sup> General Election (GE14) held on 9 May 2018, Pakatan Harapan (Harapan, or Pact of Hope), a four-party coalition assembled in 2017, defeated the Barisan Nasional (BN, or National Front) that had ruled the country for 61 years. The next day, Harapan's chairman, Dr Mahathir Mohamad was sworn in as the '7<sup>th</sup> Prime Minister', two months short of his 93<sup>rd</sup> birthday, fifteen years after he retired from office (in October 2003), and 37 after he first became prime minister (in July 1981).

Skeptics in and out of Harapan were worried that 'Old Man Mahathir' would smuggle Mahathirism into government if Harapan won the election. The question may now be posed in a non-hypothetical form: What parts of the old Mahathirism have reappeared and might endure beyond Mahathir's new premiership? Time only permits tentative and speculative answers: the post-GE14 order is three months old while Mahathir, by Harapan's agreement, will head the government for just two years.

## **RECALLING MAHATHIRISM**

In 1995, I introduced the term Mahathirism,<sup>1</sup> as conceptual shorthand for Mahathir's political ideology, itself a composite of his core ideas of nationalism, capitalism, Islam, populism, and authoritarianism. The ideology could be coherently constructed from his speeches, writings and interviews, his practices as a politician, and his policies as a national leader. Mahathirism framed a worldview which was more than Mahathir's alone, and was shared by the social classes and groups closely aligned with his aspirations for Malaysia. Mahathirism held the ruling ideas for the nationalist-capitalist project of which Mahathir was chief formulator and implementer.<sup>2</sup> At its apogee in the first half of the 1990s, the project bore a hegemonic appeal in the form of Mahathir's popular Vision 2020.

Mahathirism, however, lost its grandiosity in 1997-98 when the East Asian financial crisis wrecked the nationalist-capitalist project and the Reformasi Movement eroded the prime minister's legitimacy. Critics and dissidents, especially those whose formative political experience was Mahathir's persecution of Anwar Ibrahim, truncated Mahathirism to 'cronyism' in the regime's economic management, and the 'iron fist' with which the regime managed opposition and dissent.<sup>3</sup> Even this truncated Mahathirism seemed of no matter when the next two prime ministers, Abdullah Ahmad Badawi and Najib Abdul Razak, dissociated themselves from 'Mahathir's legacy' beyond intoning their fidelity to Vision 2020.

## **MAHATHIRISM ONCE MORE?**

Neither time nor context permits Mahathir to re-articulate at length ideas that he once expressed over several decades. Only snippets encountered here and there might indicate how the different core components of Mahathirism fare today.

### *Nationalism*

Mahathir's nationalism had four manifestations. Its oldest was Malay nationalism, traceable to the movement for independence and concern over 'Malay economic backwardness'. Its most promising was a Malaysian nationalism envisioned by his concept of a Malaysian nationality (Bangsa Malaysia). The most pragmatic was economic nationalism which encompassed Malay economic parity with the non-Malays within the country and Malaysia's rise to 'developed country' status in the world. There was, finally, the nationalism of a non-aligned stance in international affairs.

Mahathir's dissatisfaction with the extent and quality of Malay economic achievement is too deeply implanted to disappear. Hence, he would prefer to retain a measure of New Economic Policy (NEP) 'restructuring', unlike Anwar who in 2006 called for NEP's abolition. For instance, Mahathir wants to restore Khazanah to its original status as a repository of 'Bumiputera assets', not use it to invest in domestic and foreign ventures. Today Mahathir is more flexible about rendering state assistance to non-Malay communities. Before GE14, he engaged with the Indian community, definitely to win their support (via a pact with HINDRAF) but promising special aid to alleviate 'Indian marginalisation'. Mahathir's relationship with the Chinese community shows how far he has travelled from the days when he faulted Chinese business for the 'Malay dilemma'. For years now he has openly praised Chinese contributions to national development while Chinese voters were his staunch supporters after 1990 and Harapan's in GE14.<sup>4</sup>

It is different when he criticized Najib's contracts for large-scale infrastructure projects with companies from China. Disapproving of their terms, Mahathir likened the contracts to 'unequal treaties', hoping to prick China's conscience but he thereby invoked the spirit of his 1981 'Buy British Last' campaign. Then he 'confronted' Britain. Now he reasons with China to review the projects.<sup>5</sup> He stresses Najib's culpability in creating a situation both Malaysia and China had much to regret. In Southeast Asia, burdened with new power rivalry, Mahathir urges ASEAN states to reaffirm their neutrality and oppose militarization. In a crucial signal of policy reorientation, Minister of Defence Mohamad Sabu announced the withdrawal of a small contingent of troops that the Najib regime had stationed in Saudi Arabia in tacit support for the latter's war on Yemen.

In a novel valorization of nationalism Mahathir attributed Harapan's victory to a patriotic multiethnic surge to 'Save Malaysia' and help it 'rise to be an Asian tiger once more'. None of Harapan's younger leaders can truly be heir to Mahathir's nationalism if only because this very old man is alone among living Asian leaders to have had a part in ending colonial rule.<sup>6</sup> But Anwar, slated to succeed Mahathir, and younger Harapan leaders speak more intuitively of 'inclusive', multi-cultural policies that moderate ethno-religious differentiation and chauvinism.

### *Islam*

Mahathir retains his long-held positions on Islam. He enjoins Muslims to work with 'good' Islamic values, and to live by religious moderation and tolerance, among themselves and with non-Muslims. He spent little time on religious issues before GE14. As he did many years ago he dismissed the politicians of Parti Islam SeMalaysia (PAS, or Pan-Malaysian Islamic Party)

for ‘using religion for political purposes’. This time, he was scornful of PAS for spurning Harapan and tacitly aligning itself to UMNO. Mahathir partly used his discretionary power as prime minister to appoint to the Cabinet several leaders of Parti Amanah Nasional (Amanah, or National Trust Party), the Harapan party led by ‘progressive’ exiles from PAS. They, with Anwar and his Malay comrades of Parti Keadilan Rakyat (Keadilan, or People’s Justice Party), will keep alive ‘Mahathir’s Islam’ but add to it their Reformasi association of Islam with democracy, freedom, justice, and anti-corruption in contradistinction to the religious conservatism of PAS, UMNO, and some Muslim organizations, official or otherwise.

### *Capitalism*

Mahathir’s thoughts on capitalism were focused on major economic issues. In the 1980s he tackled public sector inefficiency, heavy industrialization, and recession. In the 1990s he confronted the irrationality of financial markets and again recession. One could characterize his Malaysia Incorporated policy as ‘pragmatic dirigisme’, inspired by the ‘East Asian model of development’. For him, Malaysia Inc. had a workable state-market balance that was disrupted by currency speculators in 1997. He intends to keep the ‘pro-business’ stance of Malaysia Inc. to spur domestic investment, attract foreign capital, and expand trade. Mahathir has seen Malaysian capitalism rise with the ‘East Asian miracle’, fall with the ‘East Asian meltdown’, and weakened by ‘kleptocracy’. His primary task is to manage his inherited ‘debt crisis’. He will recall the thrift, fiscal discipline, and austerity which he and then Minister of Finance Daim Zainuddin used to reduce the government’s external debt during the difficult mid-1980s. He has neither time nor resources to launch new economic initiatives comparable in scale to those of his first premiership. He hinted at a revival of the ‘National Car’ but his proposal met criticism in public and within Harapan.

While he conceives of his mission as ameliorative – ‘to get the economy back on track’ – he may inventively modify the investment regime to spark a new trend of rapid growth as he did by boldly suspending NEP restructuring requirements in 1986 and improving investment-friendly policies to attract East Asian manufacturing capital in the post-Plaza Accord years. Other Harapan leaders do not share Mahathir’s dirigiste predilections but the peculiarities of Malaysian political economy preclude their choice of radical neoliberal policies. Their ideal would be market-based capitalism disciplined by transparency, accountability, good governance, and the exclusion of politics from business. They would temper such an economic regime with ‘social justice’, minimum wage and need-based affirmative action, say, to produce the ‘humane economics’ Keadilan advocated in its 2008 election campaign.<sup>7</sup>

### *Populism*

Few things moved Mahathir recently as much as his ‘bonding’ with the dissident masses he met before GE14. He admired the BERSIH 4 and BERSIH 5 protesters, regretting that the protests could not quickly throw out Najib and UMNO-BN the way that large demonstrations ousted corrupt leaders elsewhere. In his imaginary the definitive mass uprising against unjust rule was the 1946 anti-Malayan Union movement. As Prime Minister he only attended staged mass events. In contrast, his participation in the BERSIH and election rallies was not patronizing or manipulative. He used to deride as ‘anarchists’ the young Reformasi people who demonstrated against him. But the BERSIH protesters genuinely awed him by keeping their rallies organized, orderly, and clean!

Mahathir had enough of his old populist self to sense that, in fighting a corrupt and repressive regime, the dissident masses were remaking their society. When he addressed the BERSIH 5 crowds, he could have said that they belonged to his Bangsa Malaysia. He did not perhaps because too many people conflated Vision 2020 with an economic dream of development. Anwar might advance this populist strand of Mahathirism because Anwar in prison had gone further than anyone else in imagining a new nation and society along non-ethnic lines.

Before GE14, Mahathir had a few reenactments of his old brushes with monarchy. A few Malay rulers openly showed disdain for him. Mahathir remained as defiant of them as he did in the 1983-84 Constitutional crisis. As before he now insists that the monarchy must not exceed its constitutional position and powers.

### *Authoritarianism*

Mahathir's most unexpected and remarkable departure from Mahathirism is his anti-authoritarian turn. After their 'meeting of reconciliation' on 5 September 2016, Anwar said that 'Mahathir has embraced the reform agenda'. Here, not philosophizing but frustration was the true catalyst of Mahathir's 'embrace'. He had counselled Najib to leave office; urged UMNO to replace its leader; asked Parliament to move a vote of no confidence in the Prime Minister; launched a nationwide million-signature petition for Najib's resignation; and appealed to the Council of Rulers to remove Najib – to no avail. He railed at Najib's use of state institutions to repress dissidents who challenged him over the 1MDB and other financial scandals. He was gratified to be accepted by oppositionists and dissidents, some of whom he had previously imprisoned. Mahathir's new bonds taught him to value the basic parameters for checking the abuse of power and protecting civil liberties and human rights: genuine separation of powers, the rule of law, non-partisan state institutions, and freedom of the mass media.

True to Harapan's Manifesto, Mahathir's administration has fostered a more democratic and freer political environment by withdrawing politically motivated suits or overturning unjust verdicts against dissidents; repealing several repressive laws; and permitting a much freer media.

It has removed allegedly partisan occupants of several high positions. The previous Attorney-General, Chief Justice, MACC Director, Treasury Secretary-General and Governor of Bank Negara (the central bank) with fresh, highly qualified, and reputedly non-partisan appointees.<sup>8</sup> Several senior officers of government linked corporations or government linked investment corporations resigned or were otherwise required to leave, evidently for allowing themselves to be Najib's 'political instruments'. In all, the administration terminated 17,000 'political appointments' and closed some agencies as part of its institutional rationalisation.

When he was first prime minister, Mahathir introduced bureaucratic reform. His objective was to improve public sector performance, not combat corruption. This time Mahathir wants expressly to reform a government that in his view had become 'several layers deep' in corruption. He is enforcing institutional 'cleansing' at a pace and on a scale not seen before. To public approval, his administration has attacked impunity for corruption in high places, above all by resuming the official investigation of 1MDB (which was suspended by the previous Attorney-General) with the cooperation of foreign jurisdictions. The police raided the

Najib clan's residences and seized an unimaginably large cache of cash, expensive jewellery, and luxury handbags and watches. As of mid-August 2018, Najib has been charged with criminal breach, corrupt abuse of power, and money laundering – seven charges all traceable to 1MDB, albeit involving for now an almost negligible bit of the overall 1MDB funds. The Malaysian Anti-Corruption Commission (MACC) has frozen 408 individual and/or corporate bank accounts (some belonging to UMNO and BN parties) suspected of receiving money originating in 1MDB.

Mahathir's campaign of democratic and institutional reform requires time and effort to produce lasting results. In principle, Harapan's reformers should be motivated to sustain and advance what Mahathir has begun.

## CONCLUSION

The meaning(s) of Mahathirism shifted with social changes and political conflicts. That was true for Mahathir's first premiership, and holds for the second as some notes on the 'return of Mahathirism' here might suffice to conclude. First, Mahathir may recycle some components of Mahathirism, not because he had 'never changed' in his career,<sup>9</sup> but because he does not have the time to reinvent his ideology substantially. Second, it is plausible that Mahathirism will show some changes that correspond to Mahathir's present tasks and Harapan's political re-alignments and ideological reinvention. Third, the grand ideological construct of his former nationalist-capitalist project cannot be replicated inasmuch as the project cannot be resurrected to its former scope. And, finally, Mahathir's most critical departure from his old ideology carries this supreme irony of the new Mahathirism: the original target of Reformasi has become its spearhead.

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<sup>1</sup> Khoo Boo Teik, *Paradoxes of Mahathirism: An Intellectual Biography of Mahathir Mohamad*, Kuala Lumpur, Oxford University Press, 1995.

<sup>2</sup> On the nationalist-capitalist project, see Khoo Boo Teik, *Beyond Mahathir: Malaysian Politics and its Discontents*, London and New York, Zed Books, 2003.

<sup>3</sup> See Barry Wain, *Malaysian Maverick: Mahathir Mohamad in Turbulent Times*, Houndmills, Basingstoke, Hampshire, Palgrave Macmillan, 2009.

<sup>4</sup> 'Our country is what it is today because of the contribution from the business community, especially the Chinese community because they are dynamic in many ways' (Mahathir, quoted in Danial Dzulkifly, 'You helped make Malaysia what it is today, PM tells businessmen, Chinese chamber', *The Malaysian Insight*, 20 July 2018, <https://www.malaymail.com/s/1654207/you-helped-make-malaysia-what-it-is-today-pm-tells-businessmen-chinese-cham>).

<sup>5</sup> Pooi Koon Chong, 'Malaysia's Problem: How to cut a Better Economic Deal With China', *Bloomberg*, 25 July 25 2018, <https://www.bloomberg.com/news/articles/2018-07-24/mahathir-pushes-back-against-china-for-better-economic-deals>.

<sup>6</sup> I thank Takashi Shiraishi for this point.



<sup>7</sup> Parti KeADILan Rakyat, *KeADILan Manifesto 2008 – A New Dawn For Malaysia*, 26 February 2008.

<sup>8</sup> Nicholas Chin and Sheridan Mahavera, ‘More than a dozen purged in Pakatan’s first 50 days’, *The Malaysian Insight*, 3 July 2018, <https://www.themalaysianinsight.com/s/66056>.

<sup>9</sup> Whether Mahathir had changed is discussed in Khoo Boo Teik, ‘Once Mahathir, always Mahathir?’ *Malaysiakini*, 18 April 2018.

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