

ULASAN BUKU/BOOK REVIEW

The Best Way to Realize a Dream is to Wake Up

Malaysia at a crossroads: Can we make the transition? by Abdul Rahman Embong and Than Siew Yean (eds.), Bangi: Penerbit Universiti Kebangsaan Malaysia, 2011, 215 pp.

The book identifies the biggest challenge today in Malaysia's trajectory of development as the transformation of itself into a high income economy by 2020. The country has been stuck in the middle-income trap for the past 15 years, and the question is whether it is able to take the necessary leap to get out of it. It is a very timely study, especially in the context of advancing China, India, Brazil, Indonesia and Vietnam—all formidable contenders for global foreign direct investment (FDI). The challenge for Malaysia will be even more daunting.

Edited by two senior and well respected professors, the book has an introduction and seven chapters, all by scholars who have done solid work in their own fields. There are two chapters on economy—FDI by Tham Siew Yean, and relevance of the Japan model by Lee Poh Ping; two on society—social equity by Ragayah Haji Mat Zin and state-society relations by Rahman Embong; and two on politics—prospects of two-party political system by Helen Ting, and Islamisation and identity politics by Norani Othman. One chapter is on transnational migration by Azizah Kassim. The chapters share these common features: empirical underpinning, dispassionate in tone and sound scholarly analysis.

DISCUSSING THE CHAPTERS

The introduction provides a brief survey of the debates on this issue. The starting point is that to move ahead, the country must tackle the problems of mediocrity, corruption, cronyism, ethno-religious polarisation, political oppression, economic waste and inefficiency. To this long list, one may add crimes, drug abuse, sliding education standard and environmental degradation. Only then can Malaysia move on to become a globally competitive and developed nation enjoying democracy, social justice, ethnic unity and accountability. This is a progressive national agenda deserving undiluted support of all the *rakyat* (citizens).

According to Tham, FDI has certainly contributed to economic development by way of promoting exports, creating employment and upgrading technology. To move on to the high income goal, much more technology upgrading is needed. But here Malaysia has not been able to leverage on FDI for substantive upgrading. In the 1960s, Malaysia was ahead of Taiwan and South Korea, but it is far behind

them now. There is no indigenous Malaysian transnational company of the likes of Taiwan's semiconductor giant TSMC and South Korea's Samsung. Somehow, the country has not displayed absorptive capacity that can match Taiwan's or Korea's. Why not? Is it because the model was wrong or out-of-date?

Malaysia has been following the Japanese model since the days when Tun Dr. Mahathir initiated the Look East policy in 1982. Perceiving the Japanese model to be in trouble, Lee sets out to look at three options: China's model, neoliberal model, state intervention model but adapting to political development. Like Malaysia earlier, China has been basically following and adapting the Japanese model. In other words, Malaysia is ahead of China in the learning trajectory, so the first option is out. The second option of "unalloyed capitalism" is not acceptable because of the political programme to restructure society. That leaves Malaysia to continue state intervention for social engineering while promoting growth with foreign investment. Here one can revisit the assumption that the Japanese model is fading. The model may be fading for Japan which is an advanced industrial power, but not for Malaysia. For one thing, there is much for it to learn how to grow and nurture globally competitive transnational companies, a feat achieved by Taiwan and Korea, and now China.

Though there was no mention of the Japanese model, Ragayah was certainly attracted to the more socially equitable nature of Japanese society. Her commitment to social equity comes out strongly in her critique of regional disparities, unequal educational opportunities and restructuring to correct disparity based on race rather than on poverty. She calls for caring society and corporate responsibility and minimum wage policy. Referring to an educational system that sidelines humanitarian and moral aspects, she warns of the danger of breeding the feeling of uncertainty, greed, self-interest, etc. These will have adverse impacts on social cohesion and national unity. The author has a knack for colourful metaphor: "These cracks in national unity should be addressed immediately to prevent the plate of national unity from breaking into smithereens" (p. 81). Had she used the Japan's socio-economic model as a reference point, her chapter can be read as a counter argument of the assumption of Lee.

Ragayah's chapter is a good companion chapter of Rahman's on state and society. Rahman begins by outlining the idea of a fully developed nation as one that is united, democratic, tolerant, just, equitable and competitive. It requires an assertive and relatively autonomous society that exercises effective check and balance on the state and the market. Government is government, and state is state. The two are different. As a result long uninterrupted rule, *Barisan Nasional* (BN) conflates itself to be the state. Economic progress has not been used as a material basis to nurture a fully developed nation. Sadly, the opposite has happened.

Instead of a move *towards* more democracy, it is a transition *from* democracy. As a sociologist, the author looks at the social forces—ideas, institutions, political actors, historical conditions—that explain how the present has evolved from the past. What are the factors that can renew the Malaysian nation and shape it into a fully developed nation? The author suggests among others, the emergence of an assertive and critical civil society, the reformists within the major political parties, the young who do not live in an atmosphere of fear, and the rapid expansion of a multiethnic middle class. Events like the recent Sarawak state election, the Jasmine Revolution and its repercussions in the Middle East, and the recent Singapore general elections lend weight to the optimistic approach taken by Rahman. What is more, they give hope and courage to those struggling for a renewal of the Malaysian nation.

One important channel for renewing the Malaysian nation is the emergence of a two party system, and this is the subject of Ting's chapter. She looks at the record of the ruling coalition and the opposition coalition, and questions their deep commitment to multiculturalism. Both United Malays National Organisation (UMNO) and *Parti Keadilan* (Keadilan) seem to be taken hostage by its own extremists and loose cannons. Their top leaders were not firm in throwing out their rotten apples, though Keadilan was better than UMNO. She urges them to go beyond expedient multiculturalism which has the trapping of political convenience (or opportunism—a more appropriate term?). Prime Ministers assumed office with nice slogans and programs, only to end up with a track record of bringing the country down the road to where we are today. Malaysia has become a living testimony of the corrupting poison of power on those who hold high office. Would the *Pakatan* be able to turn the situation around once they are in power, given the resistance for change shown by the Little Napoleans (senior bureaucrats)? To revamp an entrenched system and work culture was beyond the means of even Tun Dr. Mahathir. A two party system with the public demanding good governance represents the way forward to democratisation and institutional reform.

In her advocacy of a two party system, Ting shares the same platform with Norani who looks at religious polarisation. She is deeply concerned with Islamic extremism in her quest for a united Malaysia, based on mutual recognition, acceptance of and engagement with ethno-religious and cultural diversity. Where is the spirit and substance of *Bhinneka Tunggal Ika* (unity in diversity), which is very much consistent with the values of Islam and other faiths? The author argues that the problem has a deep root in Malaysia history, aggravated by the unremitting contest between UMNO and *Parti Islam Semalaysia* (PAS). It has led to the absurd situation where sending Christmas cards by Muslims to their Christian friends is declared *haram* or unIslamic by some religious figures! This has obviously generated tension between different religious communities.

Intolerance is also strongly felt within the Muslim community. Rituals and forms have superseded the deep meaning and content of religious life. To turn the tide, the nation faces two formidable challenges—to advance on the journey towards a two-party system, and to develop the momentum for an inclusive, open and progressive Muslim political culture and religious worldview. To quote her concluding words: "What is needed is nothing less than a new political consensus. To say that Malaysia today stands politically at the crossroads is not lazy cliché: it is a national challenge of genuinely existential dimensions."

One chapter that stands apart but surely contributes to the discussion is the one by Azizah on migration, with emphasis on affordable housing for unskilled and semi-skilled workers. According to 2006 figures, 6.9% out of a population of 27 million people were migrant workers. Besides being exploited as cheap labour, they are not given proper housing. They were left to their own devices to solve their housing problem. Their plight is a loud indictment of poor record of Malaysia founded on humanitarian values. The chapter detailed two case studies of how resourceful the workers were in solving their housing problem. Malaysia does not have the problem of decreasing population. What this reviewer misses is to draw some implication from Malaysia's continuing intake of low skilled migrant workers. The deep dependence of migrant workers to man the factories is an indication of low productivity, low value manufacturing activity. It is not the right way to climb the technological ladder. The right immigration policy is to attract skilled and highly skilled labour. But what we are witnessing is brain drain. In the midst of increasing demand for skilled professionals, large numbers of skilled and highly skilled Malaysians have been migrating, and this includes a substantial number of Malay professionals. One does not need to be a Nobel Prize economist to know that it is the long list of problems discussed in this volume that drive them away.

CONCLUSION AND REMARKS

In the search for the way forward, one might wish to inquire why the country has been stuck for 15 years as a middle income country. We are familiar with the long list of problems. They are the products of years of misrule. Is not then the long years of BN misrule the *root cause* of why for the past 15 years, the country was stuck in the middle income trap?

Along the same line of thinking, we can revisit Vision 2020 articulated by former Prime Minister Tun Dr. Mahathir. If interpreted solely from the goal of material modernisation and progress, then the PETRONAS twin tower can be seen as an embodiment of that vision. But if seen in the larger picture of social equity, then the twin tower is a concentrated expression of its sorry failure. How can so much

money be splashed on such grand architectural structure when there were (and still are) huge numbers of citizens living in abject poverty? Surely it goes against the virtues of modesty strongly advocated in all spiritual traditions and moral philosophy. A re-interpretation of Mahathir's legacy is perhaps in order.

The empirical data of Malaysia seems to suggest a reactionary model of socio-economic-political model of development. The economy has been growing in tandem with environmental degradation, sliding education standards, worsening corruption, social injustice, erosion of judicial independence and political oppression, ethnic-religious polarisation and intolerance, crimes and drug abuse. It is a sad contribution to the theory of economic development. Malaysia deserves to do better, and this small volume can be seen to be an effort in this direction. The authors and editors of the volume should be congratulated on their efforts to look at important issues confronting the people at this critical stage of the national history. While reading the book, this reviewer can only hope more books of this nature can be published to cover additional topics. Another suggestion is to rewrite the chapters into popular version to appear as a series of articles in English as well as Malay and Chinese in *Malaysiakini* or *The Malaysian Insider*.

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