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# DEVELOPMENT OF MALAYSIA UNDER THE LEADERSHIP OF MAHATHIR MOHAMAD: TURNED MALAYSIA INTO A RICH COUNTRY

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#### **Abstract**

If any person wants to know and learn about leadership, he or she must have to learn from Mahathir Mohamad about leadership, how to lead the people, and how to turned into the rich country from a poor agricultural economy. He is known as the Father of Modernization for Malaysia. In this respect, dynamic reforms which have taken place in the context of whole Malaysia owe much to the leadership of Mahathir Mohamad. His leadership ability led the community to grow from lower level to upper level and the achievement unparalleled neither by any contemporary leader nor at the present time. He is a true patriot and a multi-talented leader where he was able to achieve a breakthrough in a short period of time. The purpose of this writing is to know about the leadership qualities of Mahathir Mohamad, achievements, and effective ruling ideas which turned Malaysia into a rich and developed country. This paper has written based on the analysis of literature review of some previous works about Mahathir Mohamad and Malaysia.

#### **Keywords**

Mahathir Mohamad, Leadership, Development, Economy

#### 1. Introduction

Mahathir Mohamad served as a democratically elected prime minister of Malaysia for 22 years from 1981 to 2003. Now he is serving the Malaysia again for the welfare of the nation. Leadership is basically all about relationship with leader-follower relations in a specific setting and under various situations (Islam & Ismail, 2011). Effective leadership style, communication, and decision making the power of a leader is important to ensure the followers accept the leader's ideas to bring development or social change to the nation (Ahmad, 2018). A prime minister is the leader of the whole nation. In general, there are many roles expected of him. At all time, he is expected to guide the people by setting himself as the role model (Nasrudin 2005). Mahathir's leadership was mainly concentrated to elevate the Malays which could be understood through the gradual removal of confirmatory action policies and the implementation of different government project and policies (Ahmad 2018).

Under Mahathir Mohamad, Malaysia was remarkably stable in the perspective of political affairs. Many factors have contributed to the success of total reforms in Malaysia since 1981 when Mahathir Mohamad elected as a 4th prime minister. These include beneficial to administrative reform, political stability, leadership support, bureaucratic support and the public demand for reform (Atory & Hussain, 1997). The role leadership is to shape people's beliefs, which influence their behaviors and motivate their desires and fears, in establishing certain ideologies as common sense. It is hypnotized, that the construction of group realities as observed from the leadership communication and activities of Mahathir Mohamad, had influenced the ways of Malaysians to feel about their own and the other ethnic groups (David, 2010).

From 1981 to 2003 Mahathir Mohamad continuously improves the country's situation and development as a prime minister, a patriot, and a leader (Reza, 2018). 'He is a thinker, a person who is creative, a writer, a politician who is constantly demonstrating an active mental ability (Johnson, 2004). In Malaysia, Mahathir Mohamad as a leader who represents the majority community has introduced various policies, visions, and missions for the nation and as the supreme person of the nation for 22 years, he brought many developments in Malaysia. It is apparent that Mahathir Mohamad, who once again appointed as the Prime Minister of Malaysia in 2018, was the backbone behind the remarkable progress of the country (Ahmad 2018).

#### 2. Leadership Traits of Mahathir Mohammad

Leadership traits makes a leader to turn into a great leader and the Mahathir Mohamad is best example of great leader to us as well as whole over the world. Malaysians witnessed unbelievable radical change for the first time in the political history of Malaysia. Here observed and picked out some exemplary leadership traits from the great leader and great Prime Minister in the world as he now leads the country's transition to a new era.

#### 2.1 Best Communicator

Leaders are communicators and communication is at the core thing of every political leader. The great leader Mahathir Mohamad conveyed their ideas to the voters hinges their success and ability to communicate messages effectively to the people (Pada 2018). It is well-known fact that communication is one of his personal skills as the Prime Minister, especially his skills necessary for interacting and communicating with other leaders and societies that would form an important power and his leadership style (Cheah, Yusof, and Ahmad 2017) Mahathir Mohamad is one of the renowned world leaders in several ways, which could be seen in his efforts, communication, and motivation to change Malaysia into a fully developed nation (Ahmad 2018). Mahathir Mohamad communicated his most of government ideologies, and concepts effectively with the public for support and to ensure successful implementation of his plans (Ahmad 2018).

#### 2.2 Strategic and Visionary Way of Thinking

Clear vision is the strong leadership traits of great leader Mahathir Mohamad. He is courageous to lead that vision and has a clear attention of what needs to be done to attain that vision. Mahathir Mohamad declares a clear vision for the future of Malaysia with a 100-days manifesto and this short-term vision gave hope to Malaysians of what Malaysia could be in the next 5 years to if his lineup is governing the administration (Pada 2018). Malaysian Vision 2020 was revealed by the Mahathir Mohamad at the inaugural meeting of the Malaysian Business Council on 1991 and it is well-defined vision gives focus and direction to the achievement of future goals. This vision makes Malaysia is as a successful and economic developed country which was adopted by the strategic and visionary leader Mahathir Mohammad.

#### 2.3 A Strict Disciplinarian

Early in his foundation Mahathir Mohammed has earned status of strict, disciplined, and seriousness in education and dealing. In leading the country as a Prime Minister some example of his discipline can be viewed in the case of his decision in 1988 whereby on his advice for conducting

tribunal to Lord president Tun Saleh Abbas for "gross misconduct" resulting the King sacked, and two supreme court judges were also dismissed. Another example was in 1998 his Deputy Prime Minister, Anwar Ibrahim was sacked and arrested and for corruption and sexual misconduct served a 15 years jail (Biography.com Editors 2012; Henman 1985). As a strict disciplinarian, he did not hesitate to use necessary measures to silence the critics of the education policies (Elias 2003).

#### 2.4 The Power of Uniting

Mahathir has developed and introduced the concept of 'Bangsa Malaysia' to create an identity for Malaysians and to foster unity among Malaysians (Ahmad 2018). He unified the 4 parties to be represented as 1 united coalition for the 14<sup>th</sup> General Elections. By doing this, he had reduced confusion among the voters and lessened the dispersion of votes. So, voters did not have to decide among the 4, they just had to choose 1 unified party (Pada 2018). As the position of prime minister firstly Mahathir Mohamad concerned among Malays, ethnic Chinese and Indians in Malaysia who are promoting Malay status. Then he compulsorily united Malays, Chinese and Indians and apprehended them together to work for Malaysia's development and promoting Malay status (Hays 2008a).

#### 2.5 Influencing People by Speech

Mahathir Mohamad Speech skill at all levels positively influenced the people. In his speech, Mahathir Mohamad stressed that, Malaysia should develop in all aspects economically, politically, socially, psychologically, culturally and spiritually (Ahmad 2018). Mahathir Mohamad is one of those few leaders who has the ability to capture people mind when he speaks and he speaks calmly, courageously and with benevolence in words and thoughts (Cheah, Yusof, and Ahmad 2017). In the campaigning season, Mahathir Mohamad traversed Prominent Malaysia for rallies and speeches. Known for his wit and humor in both English and Malay, he consistently drove home a message of reform and described his hope for the Malaysia (Ong 2018). Before the night of election day all Malaysians watched as he spoke his hope for the new and reformed Malaysia, that heartfelt, powerful and patriotic speech no doubt tripped the scale in his favor-which proved in the election day (Ong 2018).

### 3. Malaysia's Development under Mahathir Mohamad

Mahathir Mohamad established Malaysia from the third world to the developed world at an amazing speed (Hays 2008b). With the support of the United Malays National Organization (UMNO), he won a seat in the House of Representatives in 1964. He was re-elected to parliament in 1973,

promoted to a Cabinet position in 1974 and rose to deputy prime minister in 1976. In 1976 he became deputy prime minister, and in 1978 he moved from the ministry of education to the ministry of trade and industry, where he led several missions overseas to promote investment in Malaysia (Institute 2018). In 1978 he was elected deputy president of UMNO and in 1981 was appointed president of United Malays National Organization (UMNO). He became prime minister just five years later, in 1981 when his predecessor, Hussein Onn, retired (Case 1991).

Education was the first step in Mahathir Mohamad's plan to change the people and the nation. As a premier leader, his determination was to abolish poverty and create justice for all, and to see to it that every person was given an opportunity to improve person's standard of living (Elias 2003). He also amended the Universities and University Colleges Act, which was opposed by academicians and those involved in education (Elias 2003). After becoming Prime Minister, the administration of Mahathir Mohamad was targeted to all Malaysians, in order to change their thinking and influence them to be progressive, resourceful, hardworking, productive, and efficient and various programs have been introduced in order to upgrade the Malaysian civil servants (Atory and Hussain 1997). The Mahathir Mohamad's administration has also provided training opportunities for all levels of civil servants; this unprecedented move was also aimed at improving the capability of the public service and as a cost-saving measure to reduce the operating expenditure of the public sector (Atory and Hussain 1997).

As the prime minister, Mahathir Mohamad has been active in international affairs, especially in the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC) forum (Terms 1986). As a leader, Mahathir Mohamad used his power and being strict to enforce the policies or plan that he had decided to achieved certain objectives for the welfare and development of the country (Rahim, Croissant, and Malley 2006). Specifically, Mahathir Mohamad's long-term policy project aims at rapidly industrializing the economy and politically nurturing a core of Malay businessmen (Case 1991). Along with way he fought and won countless battles against political rivals on all imaginable fronts, and worked to turn Malaysia into an industrialized economy (Beng 2003). From 1988 onwards, Mahathir Mohamad was able to broaden his horizons. Domestically, Mahathir's opponents and rivals within UMNO had been vanquished, and his grip on all phases of the institutional state, including the judiciary, had been resolutely established (Nossal and Stubbs 1997).

Mahathir Mohamad administration build at south the new international airport and in north the Cyberjaya, made the country's high-tech corridor. He built the Putrajaya as Malaysia's new administrative capital (Hays 2008b). Mahathir Mohamad as a legendary leader of exceptional vision

who has single-handedly transformed, modernized, industrialized, and strengthened the national economy and Mahathir had his ambitions, initiatives, and plans, and launched his favored projects with flourishes of economic nationalism (Jomo 2003). In 1981 Mahathir became prime-minister Mahathir Mohamad Launched many innovative policies and put great effort to enhance Malaysia's economic and technological standing worldwide in order for Malaysia to become a newly industrialized country (Overtoom 2014). Mahathir Mohamad's 'Look East' policy, was a visionary policy to develop greater links to East Asia, especially Japan as well as the develop of the Malaysia (Azizuddin and Sani 2010; Nossal and Stubbs 1997).

Under Mahathir Mohamad era Taiwanese, South Korean Japanese, South Korean, China foreign direct investment helped Malaysia to reformed structural transformation and rapid growth of economy (Jomo 2003). One of the important reasons for the international community's growing interest in Malaysia in the late 1980s and early 1990s was the country's extraordinary and sustained growth caused by Mahathir Mohamad (Nossal and Stubbs 1997). Average growth rates in real GDP were 6 per cent during the 1960s, 6.8 per cent during the 1970s and just under 5 per cent during the period 1980-87. Since 1988 growth rates have been in the 8 to 9 per cent range, making Malaysia one of the fastest growing economies in the world (Nossal and Stubbs 1997). Mahathir Mohamad is recognized with creating export-driven industrialization programs. Mahathir Mohamad helped to shift the country's economic base and the country's per capita income doubled from 1990 to 1996, and the country achieved this goal, the economy remains stable (Institute 2018).

## 4. Islamic Economic Development in Malaysia under Mahathir Mohamad

During the tenure of Mahathir Mohamad as the Prime Minister once he declared that Malaysia is an Islamic state in the year 2001 and this declaration is the peak of determination to establish an Islamic political economy, and With this declaration, the development of Islam in the country is growing at a rapid pace (Mohd Shafie and Mohd Rosdi 2016). Malaysia is the first nation that introduced Islamic banking system in the South East Asia, under the leadership of Mahathir Mohamad (Rahim, Croissant, and Malley 2006). He started the Islamic economies system by establishing Bank Islam Malaysia Berhad in 1983 in order to fulfill the financial needs of both Muslims and non-Muslims (Mohd Shafie and Mohd Rosdi 2016).

Now Islamic financial system in Malaysia is recognized as more advanced compared to other countries that have been practicing the system for a long time (Mohd Shafie and Mohd Rosdi 2016).

1983 until September 2010, Bank Islam Malaysia Berhad now has more than 107 branches and 878 units of terminals around the country and also holds assets cost about RM 30.3 billion in Islamic banking industry in Malaysia (Mohd Shafie and Mohd Rosdi 2016). Mahathir Mohamad also had proposed the country to use dinar and gold in monetary exchange system between Muslim countries during the Asian financial crisis, because it is Islamic monetary system and gold is more strong and stable than money. In addition, the gold and dinar is also intended to be used as a currency of its business exchange in Malaysia (Rosdi and Shafie 2016).

The announcement Malaysia as an Islamic state has opened up some enormous opportunities for the Islamic development in Malaysia (Rosdi and Shafie 2016). Gradually his speeches began to touch more and more on Islam, on the backwardness of Muslims, the misinterpretation of Islam and western aggression against the Muslim world (Beng 2003).

#### 5. Conclusion

In the world Mahathir Mohamad is the best example of a nation developer and turned Malaysia from a rubber-dependent economic backward into a wealthiest nation as well as high-tech Asian tiger. During the tenure of Mahathir Mohamad, Malaysia became one of the most prosperous and dynamic economies in Southeast Asia, with a thriving industry, going to upper class, and increased quality of life. Mahathir Mohamad has proved that, to become a successful leader, the desire to be a leader and the knowledge are most important aspects to be a successful leader. His wide knowledge also stalks from his frequent interaction with people of all walks of life. It has seen in his tenure that Mahathir Mohammad applied both autocratic and democratic style of leadership. Sometimes he used his supreme power and being strict to implement the policies or plan to achieved certain objectives which are related to countries administrative and economic development.

Mahathir Mohamad's 'The Look East' and 'The Vision 2020' policies are brought a lot of benefits to Malaysian citizens. He always queries and care about red tape or delay in any implementation of development project. His involvement in the policymaking process and strategy of development has heightened him as a charismatic leader. It has proven that the development of the Islamic economic system in Malaysia which introduced by Mahathir Mohamad indirectly strengthen the Muslim economy while as well as the development of country's economy.

Under the tenure of Mahathir Mohamad, Malaysia experienced fast economic development. He began privatizing government enterprises, airlines, public utilities and telecommunications, that

elevated currency for the government and enhanced working situations for many employees as well as the people. The whole world has seen the leadership success and strategy of Mahathir Mohamad that made Malaysia the country of high-level income and enrich the living standards. This thing impact on some leaders of developing countries who are inspiring from the leadership Mahathir Mohamad.

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