The Never-Ending Game Of Policy Process

1. Introduction

Humankind had since times immemorial learned to survive in the best way they know how. Some people are stronger than others. Some are more resourceful. It was historian Ibn Khaldun (1332-1406) who first made the connection of human resourcefulness with his/her strength. In his famous *"Muqaddama"*, Ibn Khaldun states that the human mind created wealth for the nation. He asserts that diligence and co-operation produced civilization for humankind. The roles of the nation's leaders were incisive but they became selfish and corrupt which eventually causes the civilization to collapse. Perhaps it was the similar idea of human mind that inspired Arnold Toynbee (1889-1975) theory of challenge and response. The management guru, Peter Drucker (1977) appeared to have "borrowed" this theory when he says that economic and social ills are dysfunctions of society which posed as challenges to entrepreneurs and inventors alike.

The twentieth century applauded the birth of artificial intelligence, which drive civilization into technological advancement. Paradoxically, the twentieth century was also incarcerated by idolization of fast computers and all sorts of technological gadgets. With the help of fossil fuel, creativity becomes synonymous with the capability to produce at great speed for mass production. Today's children grow up watching animated movies or stay at home to kill monsters on video games. As an externality to the technological advancement and life of leisure, child obesity, juvenile delinquency, health problems, waste generation and pollution are taking away large chunks of the country's Gross Domestic Production (GDP).

Paradoxically, it is this mutilated theory that had been used as the premise of the thesis on human behavior and entrepreneurship by many corporatist advocators, managerialists, anti trade unionists, new-right politicians and the like. They surfaced under the labels of borderless world, globalization, economic development planning, technology policy, trade policy etc. The theory of Ibn Khaldun and his *Muqaddama* was buried under the piles of new Western dominated terminologies and jargons.

2. The Baseline

Unlike the subservient subjects of the feudal period, modern citizens want to be involved in the activities of the policy decision making process. The ancient Greek called these activities *politeia*, which means "citizenship". The term was borrowed by the Middle English (the

language spoken in England during the Middle Ages between about AD 1066 to AD 1470) to become "policy" and the word lost its original meaning of citizenship. The loss of *politeia*'s original meaning of citizenship has created a shift in terms of identifying who holds the central power in policy making process.

The Taxonomy

Discourses on the subjects started to be the focus of many intellectuals and thinkers, both from the right and left. For instance, Burch and Wood (1983) using their approach to analyses public policy, view policy as "the products of governments" or the government's commodities (Burch and Wood, 1983: 12). Hence, like any other operation in the production of commodities, public policy making is a process, which is dynamic and continual, involving many players. This concept of policy places the citizens in the role of the end users, who to a large extent are affected by it. Peters (1982) endorses this view when he defines public policy as:

> "the sum of government activities, whether acting directly or through agents, as it has an influence on the lives of citizens" (Peters, 1982: 4).

Peters' definition implies that all government activities affect the lives of the citizens. This may be true most of the time, but may not be true some of the time. When the Prime Minister of Malaysia, Mahathir Mohamad's visited Cuba in 1996, seen as a prelude to opening diplomatic ties of Malaysia-Cuba, one wonders how many Malaysian citizens would be affected by this policy. When George W. Bush ordered his army to invade Iraq in 2003, how many Americans stand to gain by the act? Using this analogy, perhaps Thomas Dye's definition that "public policy is whatever governments choose to do and not to do" (Dye, 1972: 1); is more accurate.

Dye's statement, however, could be interpreted that even if a government decides not to choose any course of action, it is still making a policy. It would then be a policy of no action. Since logically, a government cannot be doing naught, the acceptable assumption is that government actually have never chosen "not to do", but is in fact embarking on another course of action. As an example, a decision not to ban (not to do) tobacco sponsorship on Formula One racing, Motorcycle Grand Prix, Football and Badminton tournaments means permitting (to do) usage of tobacco sponsorship for those sport activities. The question of who would be affected by the action would be of little or no relevance to the policy makers, since all tobacco advertisements contain forewarning from the Health Ministry. It is, therefore, common to see policies conflict with one another.

Diversity of Meanings

The meaning of policy is further confused with another set of activities: politics. In fact, "in many European languages there are problems over distinctions to be made between "policy" and "politics" (Parsons, 1995: 13-14). Parsons cites the works of Ostrom and Sabetti on the problem of translating the word "policy" into French, German, Italian and Spanish. He offers different perspectives on the meaning of policy from a "course of action" to a "manifestation of considered judgment" and "an expression of political rationality" (Parsons, ibid: 14-15). Parsons' observation on the language aspect of the word "policy" has opened another window of common sense, which could make the term policy more comprehensible.

If the word policy has different understandings in English and in European languages, it is not erroneous to hypothesise that the term may also hold different understanding in other parts of the world. It is possible that the reasons there are different policy processes in different parts of the world lay deep in the cultural heritages (languages) rather than the ideological differences. The fact that the language being used in the United Nation is English is irrelevant to the way the citizen of Myanmar, China, Rwanda or Indonesia interpret their governments' policies. They understand policies according to their own cultures.

A policy contains meanings that symbolize something very vital, which protects, upholds, justifies and is accountable to what it is made for or what it stands for, such as a concept or a root. Policy is then, not a course of action, but the philosophy that forms the basis for a course of action and that it is not merely a plan designed by policy makers after a long deliberation on choices, but the philosophy elemental to the choice. Accordingly, public policy is seen as the sum and substance that form the basis of the government's choice of decision. Policy is the philosophy behind the game of power. In this premise, a policy must seek to understand the mysteries of existence, truth, reality, values and importance in life – the essence of power.

Hitherto, no policy process of two countries begins from the same baseline. Yet, despite the diversity of the baseline of public policy making, the policy process is usually taken for granted with very little participation by the citizens. By the same token, not much literature is found in Malaysia with regards to the philosophy of policy process.

3. The Goalposts

Five hundred years ago, an Italian statesman, Machiavelli's (1469-1527) declared that people are "ungrateful" and "greedy for profit" and in order to maintain the state a leader can use any means such as cruelty, deception, and force. Since then, tyrants and dictators used Machiavellian ways to suppress basic human's right and liberty of the people. Oddly, many

corporatist advocators, managerialists, anti-trade unionists, the New Rights and the like also advocate it.

The Rule of the Rules

Many jargons are created daily to hide the policy makers' real agenda of maximization of profits. Some makes sense, some remains puzzling. The goalpost changes when the one set fails to score. These are the creation of the power élites who take the first step, formulate the policies and implement them. Elitism advocates that decision-making as "a process which works to the advantage of" the élites (Parsons, 1995: 248).
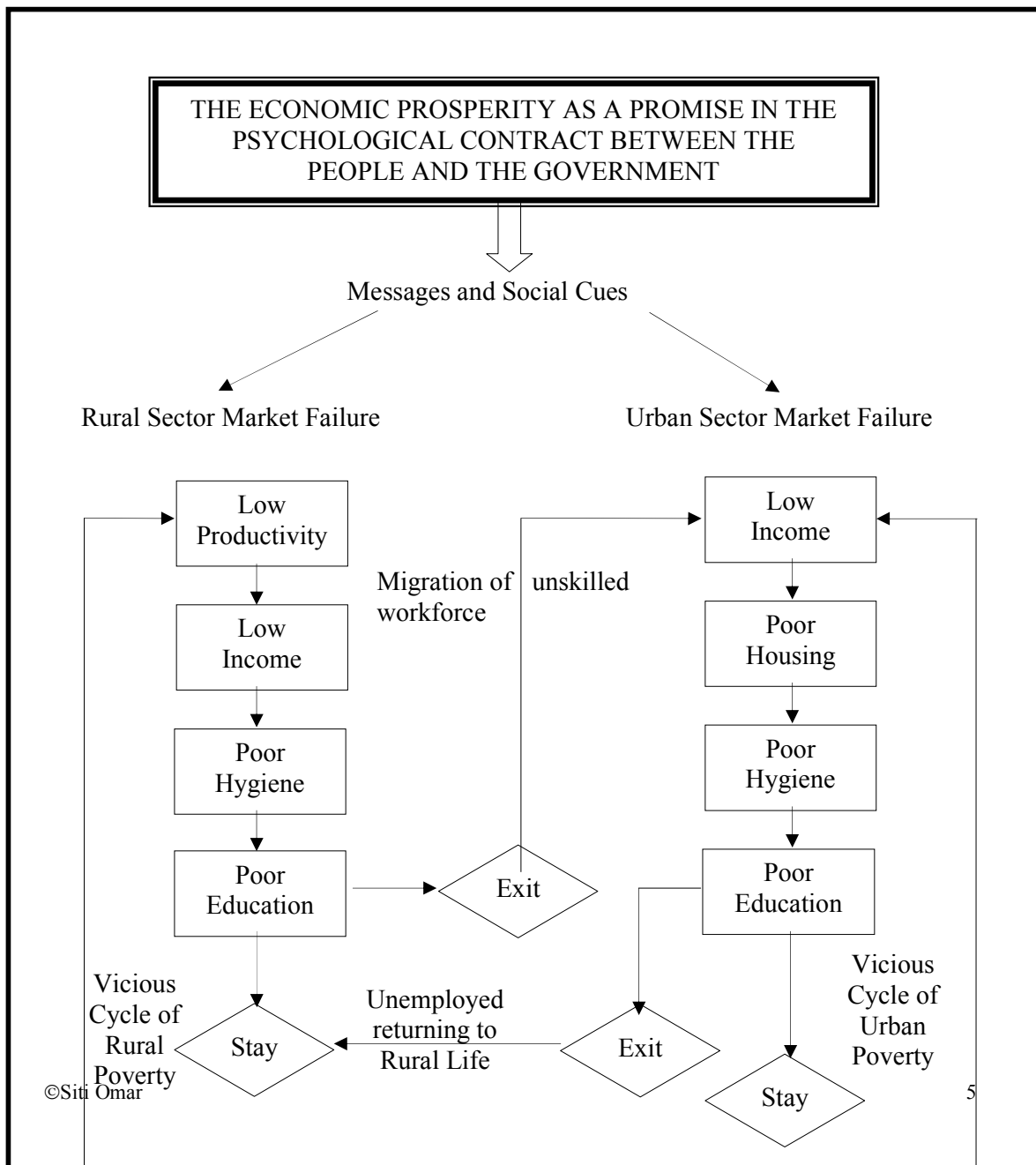
The rule of the game differs in Pluralism. As its name suggests, policy begins with an "assumption of diversity and variety" (Schwarzmantel, 1994: 49). It is a theory of State, society and policy activities. It claims that "power is diffused" and "no one should hold a monopoly of power" in which citizen should be encouraged to participate in a "variety of organization and political parties" (ibid: 53; see also Dahl, 1982: 4). Rules, according to the pluralist, must be based on a common framework and not decided by the state alone (with or without the business élite partners). To avoid fragmentation and achieve unity the state plays the role of enforcer and regulator of the rules and acts as arbiter.

Schmitter (1979) opines that pluralism had both "decayed" and "displaced" by corporatism or "demise" and had long been replaced by state corporatism (Schmitter, 1979: 24-25). Likewise, Lehmnbruch (1979) claims that "corporatism is more than a peculiar pattern of articulation of interests" (Lehmnbruch, 1979: 150). In liberal corporatism, he argues, both the government and the interest groups are incorporated into a system of decision-making process, with a "high degree of collaboration" (ibid.). This concept makes sense as elitism would not be operational without collaboration. The corporatist model of decision-making goes hand in hand with the Public Choice Theory of privatization and new public management (see Ostrom, 1964; and V. and E. Ostrom, 1971). To prove their points, the corporatists claim credits for successes in the advanced European states of Sweden, Denmark, Netherlands, Switzerland, Austria and Germany (see Klages and Löffler, 1998).

Problems of Choice

A public policy begins with a story. It is a story of problems followed by a blueprint (the policy process) to solve the problems. Some of methods of policy process utilized are top-down, such as the increment list, the rational and the mixed-scanning and social experiment models. More recent models see policy as interactive learning, promoting interaction and sharing of ideas

between policy makers and stakeholders; and a psychological contract, which advocate that stakeholders' acceptance of policy decision as significant to avoid threat to contracting (Rousseau, 1995; Omar, 2003). With many interest groups and stakeholders' involvement, the game of policy process becomes complex and problematic. Policies reflect the ideology of the government, which may or may not be democratically elected. The fewer is the channels for participatory stakeholders made available, the more power the government possesses in changing the goalposts, and the less is the choice for accurate problem identification.

THE ECONOMIC PROSPERITY AS A PROMISE IN THE PSYCHOLOGICAL CONTRACT BETWEEN THE PEOPLE AND THE GOVERNMENT

Messages and Social Cues

Rural Sector Market Failure   Urban Sector Market Failure

Low Productivity

Low Income

Migration of unskilled workforce

Low Income

Poor Housing

Poor Hygiene

Poor Hygiene

Poor Education

Exit

Poor Education

Vicious Cycle of Rural Poverty

Stay

Unemployed returning to Rural Life

Exit

Vicious Cycle of Urban Poverty

Stay

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│    SOCIAL PROBLEMS    │──        │    SOCIAL PROBLEMS    │──
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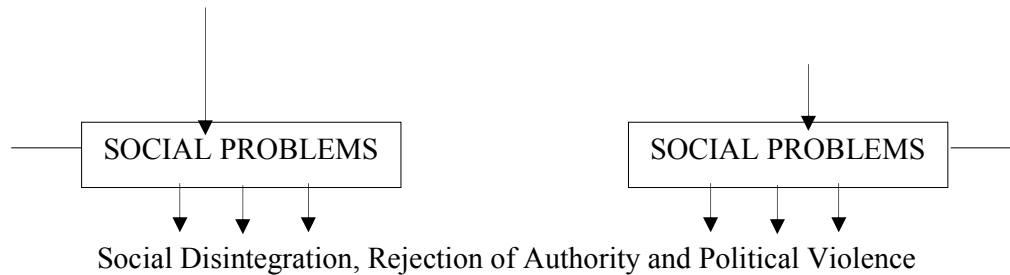Social Disintegration, Rejection of Authority and Political Violence

Figure 3: Cyclical Impacts of Violation of Promises in a Policy Process

Figure 3 illustrates the cyclical emergent of symptoms of problems in modern life as a result of multiple policy failures as an externality in a market failure. Whether the failures appear in taxes, subsidies, bailouts, wages, price controls, regulations and other means of resource allocation, a government is bound to be blamed if its policy fails to remedy the issues. A policy is a government's promise. As such a market failure would be perceived as a broken promise or a violation of promise, which would lead to social disharmony, rejection of the authority and political disintegration.

The Significance of Leadership's Wisdom

Today the world is witnessing such disintegration in developing countries in Africa, in which paradoxically, is where the documented story of public policy and decision making process began, long before management books were written. The story tells of Prophet Yusuf's advice to the people of Egypt of the impending drought, as stated in the following text in the Qurán.

> "He (Yusuf) said: Ye shall sow seven years as usual, but that which you reap, leave it in the ear, all save a little which you eat. Then after that will come seven hard years which will devour all that you have prepared for them, save a little of that which ye have stored" (Qurán, *Surah Yũsuf* [يوسف]: 47-48) Translation by Abdullah Yusuf Ali.

For his wisdom, Prophet Yusuf' was appointed the advisor to the ruler of ancient Egypt (equivalent to Chancellor of Exchequer). How one would decode the advice given today's socio-political and economic scenario?

Drought in the twenty-first century may literally means extremely dry weather leading to poor harvest of crops in third world countries such as Bangladesh, Somalia or Rwanda, but in actual terms it means economic recession. Many policy makers may never read the Qurán nor aware of the story of Yusuf, but they know what recession means, and it is this economic catastrophe that policy makers try to avoid. Thus in today's terms, the Prophet's message suggests that a

large stabilization fund should be created at the times revenues are growing in order to sustain prioritized state programmers for the people during recession.

4. The Policy Players

Ancient Egypt was probably the first state in the world having an administrative department headed by a public official, which they named vizier. The role of the vizier was to advise the pharaoh on policy matters, like a prime minister. In England the first Royal household-administration dichotomy, did not materialize until the 12th century when the Treasury was separated from the Royal Court (Mouzelis, 1975). Even so, the Exchequer who headed the Treasury was assisted by clergymen as officials (Mouzelis, 1975: xxiv). This initial move had spurred further administrative reforms, which eventually created another powerful group operating within the state known as the Civil Service, who become the policy agents.

The Power Brokers

The emergence of a bureaucratic power, which guarded state administration side by side with the government, had led to many studies on bureaucracy. Karl Marx (1818-1883), Max Weber (1864-1920) and Robert Michels (1876-1936) initiated some of these studies (see Merton et al., 1952; Mouzelis, 1975). Like the video game, the scene displays two characters: the bureaucrats as the management baddies who are prone to budget maximization to increase the size of their bureaux with a tendency to oversupply (see Dunleavy, 1991; Mueller, 1979 V. and E. Ostrom, 1971; Tullock, 1965) and the law-makers who would attempt to find "management dysfunction" that would shift the blame of inefficiency to the civil servants. Regardless, who was at fault, ultimately, the weaker and silent majority will finance public expenditure as democratic government fails in fulfilling the expectation of its citizens.

Commenting on the behavior of the civil servants, Tullock (1965) contends that professionals and bureaucrats are immoral, rational and selfish individuals. The following extract demonstrates his view of the professionals in a bureaucracy:

> "The extent that this actually happens seems an open question, but it is certainly true that there are people who enter upon their careers with this motivation, and who keep it in their minds during most of their careers" (Tullock, 1965: 29).

The demolition of the civil service was akin to Frederick Taylor's assertion in the early twentieth century that workers are lazy. Public bureaucracies were portrayed to be rigid and unresponsive and riddled with rules and procedures. Hence they are inadequate to fulfill the

expectation of the consumers. In addition, bureaucrats allegedly, hold a monopoly of power, and their will to survive has led to budget-maximization (Niskanen, 1973).

The Capitalism Dilemma

The United States (US), recognized as the superpower has always dominated the "economic order" vis-à-vis capitalism. The state of affairs to shift the goalpost, which emerged long before the era of technological advancement in the guise of "public sector reformation", has actually occurred in the US. The sparks of discontent surfaced at the end of the 1960s when the US was hit by a severe recession, which dragged on until the early 1980s. The momentarily economic recovery between 1976 to 1978 made little impact to the high unemployment, high cost of petroleum and diminishing contributions of the mining, steel production, and car manufacturing industries in the country.

Jimmy Carter and Ronald Reagan used bureaucracy as their target of attacks for policy failures in their presidential campaigns in 1977 and 1981. To fulfill his promise to improve the public sector performance, President Carter implemented the Civil Service Reform Act of 1978. Despite his effort, Carter failed to get re-elected. His reform programmers, however, did not go to waste. Former film star, turned politician: Ronald Reagan repackaged the pieces in a Republican brand and offered to the public. Since then, bureaucrats have been portrayed as villains by Hollywood in films (Terry, 1997). The Robocop, The Eraser and The Minority Report are examples of bureaucrats portrayed as villains. Today, the world also knows that protagonist of The Eraser, Arnold Swatzernagger is now the Governor of California, waving a Republican flag.

In September 1993, the US Vice President Al Gore moved the goalposts again for the public sector through the "Reinventing Government Report". Immediately, 273,000 jobs were removed from the Government payroll (see Sundquist, 1995). Across the Atlantic, attacks against the United Kingdom (UK)'s Welfare State, questioning its effectiveness and efficiency began in the mid 1970s with the New Right at the forefront. The original recommendation for reform had actually emerged earlier. It was packaged in the Fulton Report of 1968 (for discussions on contents of the Fulton Report see Fry, 1993; and self, 1979). Significant changes, however, come into view only after the Conservative government headed by Mrs Thatcher came into power in 1979. The commitment of the Thatcher Government to the new public policy model was apparent by the establishment of the Next Steps Agencies. Other changes were also initiated in a form of various Citizens' Charters of government's agencies to support the new policy of efficient government (see Goldsworthy, 1994: 59-64; Hennessy, 1990: 620; Massey, 1993: 40-75; Mottram, 1993: 49-58; and Pollitt, 1990: 52-86).

The Floggings of Public Administration

The Weberian concept of bureaucracy (see Weber, 1952a: 18-27) had been able to withstand challenges from both the left and the right for almost a century. The public sector has been described in favor as a balance of good governance; and in disfavor such that it has "ill defined" objectives or "expressed in vague terms" like "serving the public, maintaining law and order . . . "(Lawton and Rose, 1991: 5-6). The management guru, Drucker (1996) even alleges that "they" (the public sector) "tend not to do the right things" (ibid. 1996: 133).

The cynics claim many public sector administrators still hang to old paradigm and refused to change. The call for a revisit the existing policy processes in context good governance is adding more and more new jargons to its vocabulary. In addition its root of public policy making is invaded by the business sector through privatization and globalization. The new rights who advocate of privatization claim that being free from political and bureaucratic interference, business corporations, response faster to the disciplines of the market, and thereby make them more efficient. Privatization is said to be able to eliminate the problem of oversupply because there is competition and choice (Stoker, 1989).

Public administration, according to the new rights had its chance of power but failed. Therefore, it must embraced corporatization. Today, globalization knocks on the developing countries' door with its baggage of "economic goods" and offering promises of wealth with such vigor that the ruling élites found difficult to resist (see Hertz, 2001).

5. Lesson Learned

Today, former colonies retained their status quo as poor countries and found it difficult to survive in the competitive world. In 2005, four millions of Mexico City's population lived in slums areas (Davis, 2006: 28). The Mexicans, the Porte Ricans, the Indian, the Pakistanis and even the Chinese braved the freezing cold weather in the packed old containers to migrate to the US and the UK. The Indonesians sneaked into Malaysia in their leaky boats under cover of darkness. In turn, rich countries are alleged to have strangled their inadequately equipped competitors with their so called foreign direct investment packages (see Stiglitz, 2002). They dictate the price of commodities and pay foreign laborers nominal wages without proper social security system. Middlemen act as agents flourish with their human cargo.

The West Does Not Tell All

The developing countries' economic and socio-political disharmonies are linked to the missing segment untold in the success stories told by advocates of corporatism; that the achievements are confined to states of highly urbanized, small homogenous populations such as Sweden, Denmark, Netherlands, Switzerland and Austria. The more populated country of Japan and Germany are both federal-type states, characterized by strong nationalism and trade protectionism (both foreign and domestic). Furthermore, Germany had integrated many new public management approaches, under different names long before the UK or the US began their liberalization of the public sectors. Being a federal system, administrative functions are granted to the Länder and decentralization is practiced throughout the country. In addition, compulsory competitive tendering, despite allegedly not very successful had existed since 1932 (Klages and Löffler, 1998; see also Noble, C., 1997).

The close relationship of the public and the private sectors in Japan could be traced back to their culture and history since 1603 when Hideyoshi Ieyasu established his shogun ate Tokugawa at Edo. Despite the Meiji Restoration in 1869 and Allied military occupation (1945-1952), the overlords (shoguns and daimyos) are still dominant in contemporary Japan, incorporating themselves into the samurai and merchants classes to form conglomerates (zaibatsu and sogoshosas), such as Mitsui and Matsushita, creating a corporate "Shadow Government". The way the Ministry of International Trade and Industry of Japan (MITI) collaborates with its huge multi-national companies all over the world could be uniquely Japanese (see Pempel and Tsunekawa, 1979; and Pierre and Park, 1997).

The impact of one interest group, such as the IBM or the Microsoft Corporation overshadowing a government to other interest groups in the US, is immense. These corporate groups dictate the rules of the games. Hence, in reality, the US' pluralism has not reached all her citizens, and the minority interest groups such as the Blacks, the Hispanics and the Indians are still deprived and alienated. After the 11th September 2001 disaster, the US adds the Muslims into their list of incompatible groups. Pluralism becomes corporate rivalry as well a power struggle.

The US's Pluralism Brand

Regulations, such as the antitrust laws, cost tremendous amounts of operating expenditures from the taxpayers' money, since they are constantly being challenged. The public sector, too, gets the blame for policy failures, in which Sherwood's (1997) notes:

> "In framing a strategy for shaping a more positive environment for public sector professionalism, it has to be recognized that the bureaucratic villains today are often

not members of the permanent bureaucracy. They are the transitory representatives of the party in power. They often shoulder institutional burdens for which they have little competence and commitment" (Sherwood, 1997: 215)

Meier (1997) shares Sherwood's view and alleges that policy makers do not produce policy, 'but election issues', that:

> "at times policies have contradictory goals and these are left to the bureaucracy to grapple with as best as it can. . . .The scapegoating and resource reduction has surely dissipated some of the bureaucratic capacity essential for effective governance. . . . Politicians compete with each other to adopt more extreme policies; the normal tempering role of bureaucracy; the application of expertise to policy and policy proposal is lacking. Little rational deliberation is done, and the policies that are normally adopted are destined to fail because either the policy problem is not understood or the policy itself is poorly designed" (Meier, 1997; 196).

Meier's view is supported by Gawthrop (1997) with less tact but more cynical remarks:

> "To be sure, there are those who have argued that the common thread in politics is hypocrisy, but, unlike the rain that falls on the good and bad alike, popularly elected executive and legislative officials seem particularly well adept in ensuing that the public perception of hypocrisy falls mainly on the career public servants" (Gawthrop, 1997: 209).

Winning the World War II failed to guarantee the US to win the economic battlefield. Japan was progressing much faster despite the ruins of Hiroshima and Nagasaki. Japanese products had conquered Asia, infiltrated Europe and charmed the Americans. Kennedy's "invasion" of Cuba in 1961 by 1,400 Cuban exiles, which cost the US$53 million in aid to Cuba (Arnold et al, 1995), Johnson's decision to prolong the Vietnam war in 1964-68, Reagan's Iran-contra affair in 1980s, which violated the State's policy prohibiting the sale of weapons to Iran and other presumed supporters of terrorism and Bush's vague justification on invading Iraq are historical samples in which the policy outcome had cost sufferings of millions rather than revenues. When success is measured by the extent of destruction inflicted on others, any policy advocating it would be questionable.

The US has also failed to extend its pluralism into the international arena that it has consistently blocks the majority of the international communities' demands in the United Nation to punish Israel for its continuous human right abuse on the Palestinians, which is prevalent even at the point of writing this paper. For example, between 10 September 1972 (draft resolution S/10784 1662) to 17 May 1995 (draft resolution S/1995/3943538), the US had vetoed 32 times draft resolutions calling for condemnation of the Israel's actions in the Middle East (see Neff, 1998). As such the Iraqis and Palestinian continue to die trying to defend their sovereignty, while the American soldiers perish in strange land defending their leaders' foreign policy.

Notwithstanding, the US and its allies continue to exert their hostile policies towards developing countries that refuse to conform to their terms, under the guise of international security.

What is the relevance of these Western gobbledygook of policy process to developing countries such as Malaysia, struggling to survive in this game controlled by the superpowers?

Malaysia's Growing Pains

The answer lies within the growing affliction for speedy economic advancement in developing countries to seize the region's limited resources. Then Prime Minister of Malaysia, Mahathir Mohamad delivered one of his privatization social cues expressed in the following overt statement:

> "Our rationale for privatization is extremely simple. When the Government runs a service and loses money where it should be making profits, or where it is making a profit the quantum of which is below what is expected, then by transferring to the private sector Government immediately gains from the proceeds of the sale and from being relieved of the overheads involved in running the service" (Mahathir Mohamad, the message on the opening of 'The Conference on Privatization in Malaysia', 14 July 1988: 4)

When the business did not seem to display the right behavior towards the government policies, Mahathir Mohamad issued this social cue contained in the following message to the bankers:

> "Malaysia cannot deregulate if bankers behave like *banksters*, if the freedom afforded to enterprise becomes merely license to exploit without any sense of social responsibility. Our companies must have a high sense of corporate duty. Our struggle to ensure social justice - to uplift the position and competitiveness of the *Bumiputera*s and to achieve the other objectives – must be your struggle too" (Mahathir Mohamad, *The Way Forward*, Keynote address at the launching of the Malaysian Business Council on February 28, 1991 [on-line] [cited 2 December 1997] from http://www.smpke.jpm.my/vision.htm).

Malaysia's dream was shattered in 1997 when the country was hit by an economic crisis, manifested in price distortion, stock exchange and currency speculation and other economic destabilization. Economic indicators points out that real GDP growth for 1998 has contracted to -7.4% from 9.2% growth achieved in 1992-1997 (Bank Negara Report 2000, http://www.bnm.gov.my). Export prices for major commodities such as rubber have dropped from RM3.58 per kilogram in 1996 to RM2.38 per kilogram in 1999 (ibid: 11). Within the span of six months (From 1ˢᵗ July 1997 to 31ˢᵗ December 1997) the exchange rate of the Ringgit depreciated by 35 percent against the US dollar. Consequently, the Consumer Price Index (CPI)

rose to 6.2 percent in June 1998, with food prices registering the largest price increase by 8.9 percent (ibid: 16).

The Kuala Lumpur Composite Index (KLCI), an indicator of investor confidence, plummeted to 263.10 points on the 1st September 1999 far below its peak of 1,278.94 on 26th February 1997. Consequently, between January to December 1998, 83,865 workers were retrenched compared to 19,000 who lose their jobs in 1997. The government official figure records the unemployment rate at 3.9% in 1998, an increase from 2.6% in 1997. As a result, the incidence of poverty increased to 7.0% in 1998 from 6.1% in 1997 (White Paper, Status of the Malaysian Economy, 1998: 27; see also the New Straits Times, Thursday, May 20, 1999: 19). To revive the economy, the government established the National Economic Action Council (NEAC) on 7th January 1998 and formulated the National Economic Recovery Plan (NERP). Refusing aids from the International Monetary Fund (IMF), the government implemented the monetary control on 1st September 1998. More than a year later, on 29th November 1999, the ruling party, National Front won the general election. Yet there was no stock market recovery when the KLCI fell 11.25 points or 1.5% to 734.66 points (see http://www.klse.com.my). Malaysian economy, however, seemed to demonstrate some growth, but the harsh rules of game of the market forces continue to make the world a "very dangerous place for developing countries" (Krugman, 1999: 146).

Scapegoating the Leaders

Scapegoating the civil service for policy failures might be disastrous to the National Front party as the bureaucratic élite "constitutes the power base of the United Malay National Organization" (UMNO) (Cheung, 2005: 267). Thus, the attacks on the power élite grew inside the UMNO. On 4th February 2001, the *Agence France-Presse* (AFP) reported a new Malaysian pressure group called *Badan Bertindak Melayu* (Malay Action Front) was established headed by former Deputy Prime Minister, Ghafar Baba. The group felt that Malay interests were sidelined in Mahathir's economic policies, especially regarding privatization and awards of tenders and contracts.

When Abdullah Badawi became Malaysia's 5th Prime Minister on 31st October 2003, he inherited Mahathir Mohamad's development policies envisaged in the 8th Malaysia Plan (2001-2005). In the 21st March 2004 general election, National Front won with a significant victory. The 9th Malaysia Plan (2006-2010) was launched on 31st March 2006. Abdullah Badawi stressed that he chose "not to do" the mega projects, but "to do" the open tendering system, budget deficits reduction, poverty alleviation, human capital development and improvement of the public sector. One of the mega projects terminated was the construction of the "crooked

bridge" to replace the 80 year old causeway (Bernama 12th April 2006). The Prime Minister's Department reported that the total cost of building the Customs, Immigration and Quarantine Complex in Bukit Chagar, the bridge and the new Keretapi Tanah Melayu line across the Johor Straits was RM2.379 billion (Bernama, 14th July 2006).

During the 57th UMNO General Assembly in November 2006, Abdullah declared that he will set a new direction for Malaysia. Yet, his financial restructuring affected the energy policy, which led to the increased price of petrol and electricity. This might be a good baseline for a policy on climate change, but there was nothing for the citizens to cheer about as the increased fuel price created an amplifying effect on consumer goods, increased inflation and failed to boost the performance of the stock market (data on Malaysia's Economic Performance is available at the Malaysian Economic Report, 2005/2006 and Malaysian Economic Report, 2006/2007). Paradoxically, Abdullah Badawi was made a scapegoat for the policy failures just like Mahathir Mohamad.

7. Conclusion

Historically, Vietnam was once the US's playing field. The historical scripts, however, were grossly censured that history failed to create impacts in the learning processes. As a result, mistakes were repeated. The superpowers declare war whenever goalposts cannot be shifted. Even today, no one could safely claim that the North and South Korea are at peace after the war in the 1950s with the intervention of the US.

The Europe's 70 years of communist regimes of USSR ended when Mikhail Gorbachev's embraced "glasnost" and "perestroika" to boost efforts to reduce inefficiency, and corruption; and to promote political liberalization. In 1990, East Germany merged with West Germany to form Federal Republic of Germany. Likewise, Communism in Romania, Poland and the Balkan States met its demise when policy makers failed to revive their states' economies to compete with their capitalist neighbors. In May 1997, the Conservative Government collapsed because of their unpopular pro-business policies. In 2002, Al Gore failed in his bid to be the US President despite his effort in incorporating environmental issues in his campaign. These are significant world events related to choices made by policy makers.

 A policy activity that at first appears to be simple is in reality problematic. Policy process requires wisdom and sagacity of the political leadership, regardless of the model advocated by the government. Policy makers need the civil service as couriers to deliver their products to the end users, in order to continue its control of the government. If the couriers fail to deliver the products with speed, quality and effectiveness, the citizens use the ballot box to get rid of the producer. The problem is: the current models are still too mechanistic and lack basic human

attributes – sensitivity and compassion. The key element which the policy makers are looking for is synergy. They will never find this key without the involvement of the majority stakeholders the citizens. The reality is that new working arrangements are continuously being created to accommodate new policies. This act might not be accepted by the policy agents (the civil service) without a promise of appropriate incentives. In psychological contract perspective, changing the goalposts requires new contract acceptance. Yet, despite liberalization, the political leadership continues to be prone to élitism and make policy decisions without participation of the citizen stakeholders.

Today, policy models inevitably nurtured the growth of huge conglomerates, which enjoy great power and influence, but providing little encouragement to the majority of the stakeholders. No model of policy process would be effective to fulfill the citizens' expectation and interests as long as there is no harmonized intelligent system between the policy agents and policy makers to establish a supportive environment and sustainable life. Perhaps it is good to pause and reflects on the God's order with regards to the Islamic policy process mentioned in the following text in the Qurán.

> "But seek, with the (wealth) which God has bestowed on thee; The home of the Hereafter; Nor forget thy portion in this world, but do thou good; As God has been good to thee, And seek not (occasion for) mischief in the land; For God loves not those who do mischief" (Qurán, *Surah al-Qasas* [القصص١]:77)

As humankind continues to change their priorities and needs; and adjusting to new knowledge and resources; the game of policy process inevitably persists. The *Surah* is a reminder, which entails the significance of good governance in a policy process rather than the goal-settings mechanism. With the policy players' commitment, indeed, political disintegration arising from discontents of market failures could be avoided.

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