

Listening to Mahathir

By Paul Krugman

The Europeans killed 6 million Jews out of 12 million. But today the Jews rule this world by proxy. They get others to fight and die for them.” So said Mahathir Mohamad, the prime minister of Malaysia, at an Islamic summit meeting last week. The White House promptly denounced his “hate-filled remarks.”

Indeed, those remarks were inexcusable. But they were also calculated—for Mr. Mahathir is a cagey politician, who is neither ignorant nor foolish. And to understand why he made those remarks is to realize how badly things are going for U.S. foreign policy.

The fact is that Mr. Mahathir, though guilty of serious abuses of power, is in many ways about as forward-looking a Muslim leader as we’re likely to find. And Malaysia is the kind of success story we wish we saw more of: an impressive record of economic growth, rising education levels and general modernization in a nation with a Muslim majority.

It’s worth reading the rest of last week’s speech, beyond the offensive 28 words. Most of it is criticism directed at other Muslims, clerics in particular. Mr. Mahathir castigates “interpreters of Islam who taught that acquisition of knowledge by Muslims meant only the study of Islamic theology.” Thanks to these interpreters, “the study of science, medicine, etc. was discouraged. Intellectually the Muslims began to regress.” A lot of the speech sounds as if it had been written by Bernard Lewis, author of “What Went Wrong,” the best-selling book about the Islamic decline.

So what’s with the anti-Semitism? Almost surely it’s part of Mr. Mahathir’s domestic balancing act, something I learned about the last time he talked like this, during the Asian financial crisis of 1997–98.

At that time, rather than accept the austerity programs recommended by the U.S. government and the I.M.F., he loudly blamed machinations by Western speculators, and imposed temporary controls on the outflow of capital—a step denounced by all but a handful of Western economists. As it turned out, his economic strategy was right: Malaysia suffered a shallower slump and achieved a quicker recovery than its neighbors.

What became clear watching Mr. Mahathir back then was that his strident rhetoric was actually part of a delicate balancing act aimed at domestic politics. Malaysia has a Muslim, ethnically Malay, majority, but its business drive comes mainly from an ethnic Chinese minority. To keep the economy growing, Mr. Mahathir must allow the Chinese minority to prosper, but to ward off ethnic tensions he must throw favors, real and rhetorical, to the Malays.

Part of that balancing act involves reserving good jobs for Malay workers and giving special business opportunities to Malay entrepreneurs. One reason Mr. Mahathir was so adamantly against I.M.F. austerity plans was that he feared that they would disrupt the carefully managed cronyism that holds his system together. When times are tough, Mr. Mahathir also throws the Muslim majority rhetorical red meat.

And that’s what he was doing last week. Not long ago Washington was talking about Malaysia as an important partner in the war on terror. Now Mr. Mahathir thinks that to cover his domestic flank, he must insert hateful words into a speech mainly about Muslim reform. That tells you, more accurately than any poll, just how strong the rising tide of anti-Americanism and anti-Semitism among Muslims in Southeast Asia has become. Thanks to its war in Iraq and its unconditional support for Ariel Sharon, Washington has squandered post-9/11 sympathy and brought relations with the Muslim world to a new low.

And bear in mind that Mr. Mahathir’s remarks were written before the world learned about the views of Lt. Gen. William “My God Is Bigger Than Yours” Boykin. By mak-

ing it clear that he sees nothing wrong with giving an important post in the war on terror to someone who believes, and says openly, that Allah is a false idol—General Boykin denies that's what he meant, but his denial was implausible even by current standards—Donald Rumsfeld has gone a long way toward confirming the Muslim world's worst fears.

Somewhere in Pakistan Osama bin Laden must be enjoying this. The war on terror didn't have to be perceived as a war on Islam, but we seem to be doing our best to make it look that way.