

DATO' HAJI HANAFIAH BIN HAJI AHMAD

The constitution of the Federation of Malaysia has three interesting provisions that are pertinent to understanding the work of Dato' HAJI HANAFIAH BIN HAJI AHMAD. Islam is recognized as the official state religion, although freedom of worship is guaranteed to all citizens. The constitution specifically charges the government to give favored treatment to Malays (the majority and indigenous peoples) in order to reverse the economic imbalance they have suffered relative to the minority populations of Chinese (34 percent) and Indians (10 percent). And in the constitution Malays are defined as Muslims, followers of Islam.

Islam (submission to the will of God) is summed up in the profession of faith: "There is no God but God and Mohammed is His prophet." But to practice this faith Muslims must observe five rules, or "pillars." They are in order: reciting the profession of faith; praying five times a day facing Mecca; paying the *zakat*, a specified tax; fasting during the month of Ramadan; and embarking upon a pilgrimage (haj) to Mecca, the holy city on the Arabian peninsula.

The last pillar, the haj, is required of any Muslim who can support himself during the journey and can arrange for the provision of his dependents during his absence. The pilgrimage ceremonies take place between the 9th and 13th days of the lunar month of Dhu al-Hijja and consist of seven times circumambulating the Kaaba, the small stone building in the center of the Great Mosque of Mecca, and running seven times between the nearby hills of Safa and Marwa. On the 9th day pilgrims journey to the Plain of Arafat where they stand together from noon to sunset for prayers and sermon. Being present at Arafat is the essential requirement of the pilgrimage. Pilgrims complete their devotional activities on the 13th day after throwing stones at the three pillars of Mina ("throwing stones at the devil"). All Muslims hope to make the haj. Many sacrifice throughout their lives to save enough to do so and to achieve thereby the coveted title "haji," one who has made the haj.

Dato' HAJI HANAFIAH BIN HAJI AHMAD was born on December 19, 1937 in the small rural town of Sik in the state of Kedah, then part of British Malaya. He was the first child of Ahmad bin Haji Che Teh, a smallholder rice farmer, and his wife Ishah. HANAFIAH remembers the Sik of his childhood as "very remote from civilization": no surfaced roads reached it, and it was without a dependable water supply or electricity.

HANAFIAH entered school during the World War II occupation of Sik by the Japanese, attending the Malay-medium grammar school, and after classes joining his villagemates at the local *pandok* (religious school) where he studied the Koran. He remembers the Japanese soldiers using a rest house near his family home for an interrogation center, and recalls hearing the sounds of people being tortured. He also well remembers the differences between the Japanese and the later British school administrators.

Through his family circle the boy had links to the world beyond. His father's people had migrated into Kedah from Patani, southern Thailand, in the last century, at a time when Kedah too was part of Thailand. His maternal grandfather and other relatives on his mother's side still lived there. Moreover, in a second marriage his maternal grandmother married a progressive-minded immigrant from Sumatra, then part of the Dutch East Indies. Because of the influence of this stepgrandfather and his Western-educated sons HANAFIAH was sent to an English-medium high school in Alor Setar, the state capital.

Sultan Abdul Hamid College (high school) had been set up by the British to provide an English style education for Malays of good family and for other promising boys destined for public service who could pass the competitive entrance exam. Its graduates have included two of Malaysia's four prime ministers—Tunku Abdul Rahman (1960 Magsaysay Awardee for Government Service) and Mahathir bin Mohamad.

HANAFIAH achieved admission by excelling on the entrance exam and continued to do well enough that he had a full state scholarship for his second year and federal scholarships for his third and fourth years. Under his instructors, many of whom were British, HANAFIAH followed the "Cambridge syllabus," a curriculum designed to enable a student to enter a British university.

Like other young Malays, HANAFIAH yearned for the independence of his country but respected his British mentors and the values they imparted. Moreover his high school years coincided with the period of armed rebellion of Malayan communists known as The Emergency. Like

many Malays in those years, he viewed the British as allies against terror and communism. He trusted their promise that upon independence Malays would “shoulder the responsibilities of governing the country.” This comported with his personal ambition to enter government service.

Through the fifth form HANAFIAH followed the science stream, but in form six he switched to arts because this was better preparation for a career in public administration. He received his Cambridge School Certificate in 1958 and proceeded immediately to the federal capital (Kuala Lumpur) to attend the University of Malaya.

During his three year course at the university (BA Honors in Islamic Studies, 1962), HANAFIAH specialized in Malay studies, Islamic studies and regional and world history. Once again he received a government scholarship. At the university he joined the Society of Muslim Students, and as its president hosted a conference in 1961 that brought together Muslim youth from Brunei, Ceylon, Indonesia, Malaya, the Philippines and Thailand, as well as Sabah, Sarawak and Singapore. Contacts with delegates from the latter three helped pave the way for the formation of the National Islamic Youth Movement (Persatuan Pelajar-pelajar Islam Kebangsaan) when those states joined Malaya in 1963 to form the Federation of Malaysia. HANAFIAH became the movement’s first president. Although the society was not politically affiliated, HANAFIAH and his fellow students were openly sympathetic with the government and the United Malays National Organization (UMNO).

Student leader HANAFIAH also got married. Insun binte Idris was three years his junior and a graduate of an English-medium convent school in Alor Setar. They were wed on April 16, 1961, during his final year at the university.

HANAFIAH had long charted a course toward a career in the domestic civil service. Upon entering the government in 1962, however, he was channeled into the External Affairs Department where the need for English speaking diplomats was intense; he agreed to a three-year stint. After an orientation year in Kuala Lumpur learning the administrative side of the foreign service, and during which time his son Shafaruddin was born, he was assigned to Jiddah, Saudi Arabia, as Second Secretary at the Malaysian Embassy.

For the first few months HANAFIAH was forced to assume omnibus duties as charge’ d’affaires, since the ambassador was delayed in arriving. Even after the ambassador’s arrival he continued acting for someone else, this time the Commissioner of Pilgrims who was detained at

home indefinitely. In this role he focused on the annual flow of pilgrims to and from the holy city of Mecca.

Pilgrimage to Mecca is required of all adult Muslims who can afford it and who can physically withstand its rigors. Believers from throughout the world converge upon the holy city, the very place to which they have directed their life-long prayers. All Muslims understand that the pilgrimage may be dangerous. For far-flung believers it is also very expensive. Pilgrims must therefore make out their wills and settle their debts before embarking.

Until recent times the haj has been especially arduous for Malaysian and other Southeast Asian pilgrims. Among other hazards, it involved lengthy ocean journeys in vessels of questionable seaworthiness. And even though only a few can truly afford the pilgrimage, the spiritual allure of the haj compels many devout Malays of modest means to undergo a lifetime of scrimping and saving; some, like HANAFIAH's father, have sold precious land to pay for it.

Around the pilgrimage a web of customary practices had accrued. Many of these related to the practical aspects of getting to and from Saudi Arabia and to making one's way about the holy land amidst the multitude of other pilgrims, i.e., obtaining the necessary travel documents, booking passage, obtaining food and lodgings and—concerning the rituals themselves—finding someone to tell you what to do and when. As a Malaysian official in Jiddah and as a pilgrim himself in 1964 and 1965, HANAFIAH became aware of these aspects of the pilgrimage for the first time. He was appalled by the inadequacy with which they were addressed.

In Saudi Arabia itself Malaysian pilgrims were subject to abusive or indifferent treatment, often at the hands of their *mutawwifs*, their "tour operators," who were licensed by the Saudi government. All pilgrims were required to sign-up with one of them. Malaysian pilgrims usually chose a *mutawwif* while still at home by contracting through the local agents who also arranged their passage to Arabia. Once there the pilgrims were utterly dependent on the *mutawwif* and his helpers for food, lodging, local knowledge, guidance in religious rituals and emergency aid. He was the unavoidable middleman in all transactions, from borrowing money, mailing letters and securing one's valuables to providing tents on the Plain of Arafat and the necessary animals for sacrifice.

Performing the haj under an unscrupulous *mutawwif*—or one who

had simply taken on too many pilgrims—could turn the pilgrimage into a miserable sequence of overcrowded, filthy hostels, bad food, untreated sickness and petty extortions. *Mutawwifs* were notorious for charging exorbitantly for their lodgings, vehicles, viands and tents, and for persuading naive Malaysians to perform unnecessary rituals and superfluous visits to cemeteries, birthplaces and blessed gardens; for the latter they collected extra fees. Since pilgrims paid the *mutawwifs* most charges in advance, they had little recourse other than to undergo such harassments and extortions as stoically as possible, buoyed by the transcendent meaning of the pilgrimage and the fact that when they returned home they could assume the highly respected title of haji. Moreover, in unfamiliar surroundings, far from home, they were often too intimidated to complain and did not know whom they could complain to.

HANAFIAH found the Saudi authorities uninterested in the plight of Malayan pilgrims. As for the Malayan officials at the embassy, they reacted to the problems of the pilgrims with a disconcerting lack of urgency. The embassy's two doctors refused to treat the sick unless they reported during office hours, and embassy staff members refused to bestir themselves beyond their offices to help with crises such as lost passports. HANAFIAH was particularly incensed by an event that occurred soon after he arrived when a pilgrim died in Jiddah because of lack of medical service. And adding insult to injury, the driver sent to pick up the body for burial stopped, with the corpse in the van, to go shopping.

The practice of posting an official to Saudi Arabia with responsibility for Malayan pilgrims originated with the British. In 1882 they assigned an Assistant Surgeon of the Bengal Medical Services (an Indian Muslim) to Jiddah as British Vice-Consul. He was to assist pilgrims from India and Malaya who were British subjects, promoting their comfort, and monitoring them for infectious diseases. He was also to glean what useful intelligence he could about affairs in the Muslim community.

By 1896 an officer was appointed specifically to look after Malaysians, and in 1924 Abdul Majid bin Zainuddin became the first Malay so appointed. For some 15 years Abdul Majid worked to draw attention to the plight of Malayan pilgrims, prompting several reforms in the administration of the pilgrimage by colonial authorities, including improved shipping regulations.

HANAFIAH brought to his official position much the same fervor for the welfare of the pilgrims as Abdul Majid, unabashedly championing them, quarrelling willingly on their behalf with high-handed *mutawwifs*, greedy shipping agents, and complaisant Saudi officials. He also levelled

strong complaints against the attitude of his own country's bureaucrats and medical staff who, he said, put procedures and regulations before objectives. For him the objective was simple, providing good service to pilgrims.

A second child was born to HANAFIAH and Insun while in Saudi Arabia, a daughter, Nawa, in April 1964.

In 1965 HANAFIAH returned to Kuala Lumpur and the domestic civil service. As an Assistant Secretary assigned to career development in the Public Services Department he administered examinations, international scholarships and training programs. The following year he was sent to Sabah as Director of Personnel for the Federal Establishment. Sabah, on the island of Borneo, had joined Peninsular Malaya as part of the Federation of Malaysia only three years before. Many of its teachers, doctors, dentists and other public service employees were still commonwealth expatriates who had stayed on after the former British colony became part of the Federation. HANAFIAH's job was to replace these expatriates with Malaysians. If possible he offered the posts to Sabahans, but when no appropriate candidate was available—and this was often the case—he recruited personnel from Kuala Lumpur. Meanwhile he introduced programs to train Sabahans for the jobs, even arranging scholarships for training in England, Australia and New Zealand. In this way he helped defuse potential bad feelings about the influx of “outsiders.” As an outsider to Sabah himself, HANAFIAH nevertheless felt at home in the local Malay-Muslim community and was well accepted by it.

In March 1969 HANAFIAH declined an opportunity to study for a master's degree in public administration at the University of Pittsburgh because of the impending birth of another child. His daughter Nadia was born that September. Instead he accepted a position closer to home, as Director of the Student Department in the Malaysian Embassy in Jakarta, Indonesia.

During the first decade or so after independence there were no opportunities for higher education in Malaysia for graduates of Malay-medium schools. Indonesia was the only place one could study science, mathematics, medicine, dentistry and engineering in a language—Indonesian—nearly identical to Malay. It was HANAFIAH's job to bring Malaysian students to Indonesia, to place them in its universities, to administer their scholarships and allowances, and to monitor their progress. At the same time he recruited Indonesian teachers to staff the new Malay-medium university being developed in Malaysia, Universiti Kebangsaan.

Based on his earlier experience in working in an embassy, HANAFIAH insisted upon a separate money account for his students' expenses. This way he bypassed the procedure-obsessed bureaucracy and made sure that students received their monthly stipends on time—processing them early if students lived far from Jakarta. And he gave students advances to buy their school books instead of requiring them, as per official procedure, to pay for them with their own money and request reimbursement afterwards; he knew that students were poor and could not afford to wait to be reimbursed. The objective, he would remind his colleagues, is more important than the procedure.

As his time in Jakarta drew to a close, HANAFIAH recommended that the Indonesian student program be phased out. This was based in part upon his blunt assessment of the cost and the poor quality of Indonesian technical education at the time. It also reflected his view that graduates of Malaysia's Malay-medium schools were as capable of pursuing higher education in English as students in other countries who learned English as a subject in school. Where possible, he thought, this was preferable.

In December 1971 HANAFIAH moved back to Kuala Lumpur. For the next two years he served as Deputy Director General of the National Institute of Scientific and Industrial Research. It was the institute's function to tap the expertise of international organizations—e.g. UNDP, UNIDO and various international NGOs—to provide experts and advisers to advance the industrialization of Malaysia. At the institute he helped match these foreign experts with Malaysians. Although his responsibilities were administrative, this work introduced him to technology and industry, aspects of Malaysia's national evolution hitherto largely alien to him. This familiarity became an asset when he was tapped in 1974 to be Deputy Director General of the Pilgrims Management and Fund Board (Lembaga Urusan dan Tabung Haji), known popularly as Tabung Haji.

Tabung Haji is a unique Malaysian institution, although it evolved from efforts of the British to monitor the passage of its subjects to and from the holy land. Throughout the 1920s and 1930s the haj was treated by the British as a commercial venture, but after World War II changes were initiated and in 1949 a Haj Advisory Committee was set up at the federal level. The committee introduced reforms, fixing sailing schedules, sending out medical missions, appointing welfare officers and religious teachers, and improving the quality of food served aboard the pilgrimage ships; but as noted previously, many abuses went unchecked.

In 1951, under the Muslim Pilgrims Ordinance, the Haj Affairs De-

partment was set up in Penang and took over the operational aspects of the haj administration.

Meanwhile the onset of independence provoked many thoughtful people to address the problem of the economic backwardness of the Muslim-Malay segment of the population, and to seek new strategies for broad national development and prosperity. Among these concerned persons was Professor Ungku Aziz of the University of Malaya. Aziz pointed out that, generally speaking, Malays accumulated savings for one purpose only—to perform the pilgrimage to Mecca. They saved for decades, hiding their growing hoards in pots beneath the ground, under mattresses, and secreted in the rafters of their homes, but avoiding banks because interest (i.e. usury) is forbidden by Islam, and money for the haj must be especially free of taint. As a result a huge fund of wealth lay idle—unavailable for enterprise and investment. This constituted an enormous loss to the Malay economy, and one reason why, Aziz believed, Malays as a group remained poor.

In 1959 Aziz proposed a solution: a government-run savings institution that provided a safe place for Malays to accumulate and enhance their savings in accordance with Islamic practice, and concomitantly a source of Malay capital to invest in the economic development of the country. Malaya's religious teachers were divided over Aziz's controversial proposal. In 1962 the government asked for a legal opinion, or *fatwa*, from Sheikh Mahmoud Al Shaltout, Rector of Cairo's prestigious Islamic Al Azhar University. Al Shaltout approved the proposal enthusiastically and urged its implementation.

The Pilgrims Savings Corporation was established that year by the Malayan Muslim Pilgrims Savings Corporation Act. In September 1963 Aziz made the first deposit. As its assets grew the savings corporation began investing directly in land, buildings and businesses, returning profits to its depositors as dividends.

By the Pilgrims Management and Fund Board Act of 1969 (amended in 1973) the Haj Affairs Department and the Pilgrims Savings Corporation were amalgamated as the Pilgrims Management and Fund Board, Lembaga Urusan dan Tabung Haji, or Tabung Haji as it is popularly called. It was placed in the office of the Prime Minister. Thus Tabung Haji was really a neophyte organization when HANAFIAH joined it in 1974.

It was also in thorough disarray. Internal politics and conflicts had so disrupted its operations that sometimes government chartered planes

failed to reach the holy land on schedule; in consequence half of the pilgrims preferred making private arrangements.

Tabung Haji's poor performance was a politically sensitive issue. The ruling coalition included politicians with devout Muslim constituencies. They were especially vulnerable to embarrassment when the government failed to handle the haj arrangements properly. Prime Minister Tun Abdul Razak bin Hussein (1967 Magsaysay Awardee for Community Leadership) therefore looked for someone to reorganize the association. An undersecretary in his office and a friend of HANAFIAH, recommended the latter, who had all the qualifications—a firsthand knowledge of the haj and broad administrative and organizational experience.

The post of Deputy Director was created especially for HANAFIAH and he was charged with making Tabung Haji function properly. The Director cooperated fully.

HANAFIAH found the organization badly in need of direction. Among his first initiatives was an attack on the problem of delayed flight departures. He enlisted the prime minister's authority to assign all government sponsored pilgrimage flights to the national airline, Malaysian Airways Systems. This eliminated the politicking on the board over lucrative chartering contracts with foreign carriers and the complications of tendering with outsiders. Moreover, in HANAFIAH's view it was proper that the national airline should get the business, and equally proper that it should be held accountable for breakdowns in operations.

Next HANAFIAH began streamlining and expanding other pilgrimage related services. He found that the registration of pilgrims was done by state rather than Tabung Haji officials, and in each state there was but one office where this could be done. Pilgrims, of course, had not only to register, but had to apply for passports and visas and to pass health examinations. These procedures were confusing and time consuming: "people didn't know where to go, what to do, whom to approach."

HANAFIAH insisted that Tabung Haji be given exclusive jurisdiction in registering pilgrims, obtaining visas, and issuing special pilgrimage passports. This required gaining the agreement of each state government; one by one he got it. In this way he gathered all pilgrimage-related procedures and services under the control of one organization. At the same time he began expanding the number of Tabung Haji offices in each district, making services more accessible to the public.

In unannounced weekend visits he would inspect regional offices

and familiarize himself with his organization and staff. (In many states Sundays are workdays, since Friday rather than Sunday is a day of communal prayer.) He eliminated employment on the basis of “whom you know,” and drew up the first comprehensive recruitment scheme, with detailed job descriptions and qualifications, and advertised the new openings in the public media. He also set up in-house classes and career development programs for his staffers. Troublemakers he sacked, shrugging off the inevitable protests. “It was done according to the law,” HANAFIAH says, “and the government was on our side.”

Tabung Haji’s reputation for service soon improved. HANAFIAH also succeeded in giving Tabung Haji a clear popular identity by promoting it in the mass media and by winning the confidence of local religious teachers and mosque officials. Citizens gained greater confidence in Tabung Haji as a savings institution as well.

In 1977, the year following the birth of his fourth child, daughter Ilham Aliya, HANAFIAH was formally promoted to Director General. By this time Tabung Haji had achieved momentum. The momentum was in part a result of HANAFIAH’s direct and impatient temperament, but more importantly of his clear understanding of Tabung Haji’s reason for being—service to pilgrims.

Achieving such service was easier in Malaysia than it was in Saudi Arabia. Although the Saudi government had transformed public facilities, adding modern roads, waterworks, sewerage systems and accommodations, the *mutawwif* system was still entrenched, and along with it many of the old abuses. HANAFIAH therefore assigned Tabung Haji staffers to inspect the work of the *mutawwifs*, to report cases of inadequate accommodations, poor food or insufficient guidance during the rites and visitations, and to intervene in egregious cases. As the brief against the *mutawwif* system grew thicker, HANAFIAH vigorously lodged protests with the Saudi government.

Eventually the pressure paid off. By the early 1980s complaints about the *mutawwif* system by the Malaysians and others caused the Saudi authorities to explore alternatives. In 1984 they introduced the new *muassasah* system. This incorporated features of the *mutawwif* system into an orderly and well regulated scheme which made licensed providers of pilgrim services, now called *maktabs*, accountable to supervisory boards, *muassasahs*. Some *muassasahs* are responsible for a specific region, Southeast Asia for example; others are responsible for a special area in the holy land. The government regulates strictly the number of families a *maktab* may handle in a season. Tabung Haji works directly with

the *muassasah* for Southeast Asia, which each year assigns 15 *maktabs*—the same ones each year—to look after its pilgrims. Tabung Haji pays for the *maktab's* services on behalf of each pilgrim. Because it works with the same *maktabs* each year it can not only monitor their services closely, but also develop an effective and friendly working relationship with them. Such collaboration has paid off in better services for pilgrims and in better relations for the Saudis.

Today prospective pilgrims register for the haj at any one of Tabung Haji's many local offices around the country, where they also apply for their special passports and visas. Tabung Haji then steers them to local hospitals and health centers for the medical examinations and inoculations necessary for acquiring the obligatory pilgrimage health certificates. Applicants with communicable diseases (TB for example) are forbidden to go on haj, as are women who are three or more months pregnant. Otherwise sick applicants are treated—and hospitalized if necessary—and everyone is given free multivitamins.

The desire to go on the haj has overcome the resistance of many rural folk to medical examinations, with the happy consequence of introducing reluctant villagers to modern clinics and of expanding the government's data bank on public health.

Haj applicants pay a comprehensive fee directly to Tabung Haji, usually by a simple transfer from their savings accounts. They must also confirm that performing the pilgrimage will not create hardships for their families. Although pilgrims must bring an extra M\$30 per day for incidental expenses, the M\$5,000 or so that each pilgrim pays Tabung Haji covers all major expenses, including transportation, lodging, *maktab* fees and other services in Saudi Arabia, as well as services provided by Tabung Haji before departure. For the well-to-do, more expensive packages are available which may include air conditioned hotel rooms and buses, and food.

Prior to embarking all pilgrims attend orientation classes. Tabung Haji provides these throughout the country for groups of 100-200, often in local mosques. In these classes local religious teachers and members of the Religious Affairs Department instruct pilgrims on the correct performance of the pilgrimage rituals and what they mean. Members of Tabung Haji's Medical Mission tell pilgrims how to take proper health precautions during the journey, and other Tabung Haji personnel review rules and procedures and advise pilgrims about getting along with their *maktabs*. Care is taken that all pilgrims receive identical instructions. Tabung Haji therefore provides standardized teaching

materials for the classes, and every year calls its lecturers together for a convention to discuss what to say and how to say it.

Meanwhile, with Malaysian Airlines Systems, Tabung Haji readies 60-70 chartered flights. (Under certain conditions pilgrims may arrange their own transportation, but private chartering companies must deposit a substantial sum with the government as insurance against a default in services.) When the time for embarkation arrives, pilgrims take solemn leave of their loved ones and journey in Tabung Haji-chartered buses to Kuala Lumpur where they gather in Malaysia's new haj complex at Subang International Airport. Then, bearing Tabung Haji-provided water bottles, prayer mats and the special garments they must wear on the haj, they enter their assigned plane with its specially trained personnel for a direct flight to Jiddah.

When pilgrims alight from their aircraft members of Tabung Haji's Welfare Mission are on hand to greet them and shepherd them through immigration and customs procedures. The staff then oversees the allocation of *maktabs*, passes out pocket money—already changed into Saudi *riyals*—and dispatches the pilgrims by bus to Mecca. Here they join a throng of some 1,500,000 fellow pilgrims from throughout the world. Tabung Haji makes sure their accommodations in Mecca are in order and that they are adequately fed and looked after. Members of the Welfare Mission patrol the Great Mosque and other sites to assist where there are problems. Everywhere are Arabic-speaking Malaysian assistants—often students studying at the Islamic University of Medina—to help iron out confusions or disagreements with their hosts. Pilgrims can also take their complaints and problems to Tabung Haji's ad hoc welfare offices, open 24 hours a day in both Jiddah and Mecca, and resort to them when they lose their papers, their luggage, their companions. There are also counselors to help the aged and infirm and those with personal problems.

Among HANAFIAH's innovations has been providing comprehensive medical care for pilgrims. Tabung Haji operates a hospital, a dispensary and the Pilgrim Rehabilitation Center in Mecca; a field hospital at the tent city in Arafat; a dispensary and rehabilitation center in Medina; and a dispensary at the airport in Jiddah. It also operates a fleet of 12 ambulances. Its staff includes doctors, nurses, pharmacists, laboratory technicians, physiotherapists, public health inspectors and cooks.

HANAFIAH's attention to health—including examinations, screening and treatment beforehand—has resulted in a dramatic decrease in deaths during the pilgrimage. In 1981, 455 Malaysian pilgrims died in

Saudi Arabia. The figures have dropped steadily year by year and in 1986 the number was 56, although the total number of pilgrims was 3,000 higher than five years earlier.

During the haj HANAFIAH joins his staff in Saudi Arabia and oversees the entire Tabung Haji operation personally. He coordinates the work of the more than 200 employees and, with the Malaysian ambassador, intercedes with high Saudi authorities on behalf of pilgrims if necessary. From the first to the last, Malaysian hajjis are under his watchful eye. (When in 1986 trouble broke out between Iranian pilgrims and the Saudi police, Tabung Haji's good intelligence and superior organization kept Malaysian pilgrims out of harm's way.)

As they leave for home, Malaysian pilgrims are once again escorted through the formalities by HANAFIAH's people and then airlifted home aboard the Tabung Haji jets.

HANAFIAH and his energized Tabung Haji have transformed the pilgrimage for Malaysians. He has reduced the cost, as well as the risk, discomfort and confusion of past times, and he has changed utterly the level and spirit of service provided by the government. One consequence has been a steady increase in the number who annually perform the haj—from an average of 10,000 in the early 1970s to nearly 30,000 today. But bringing high standards of efficiency and service to the pilgrimage is only part of Tabung Haji's objective. The other is to provide a sanctioned means for Muslims to save money for the pilgrimage and to invest this accumulating capital in the country's economy. Tabung Haji's achievements in this area, under HANAFIAH's direction, are equally impressive.

Beginning with 1,281 depositors in 1963, Tabung Haji now has over 1,000,000 savers whose accumulated deposits amount to more than M\$2 billion (US\$1,050 million). Tabung Haji's deposits are insured by the government, and its government-given monopoly of pilgrimage management guarantees a steady influx of new deposits.

Tabung Haji's rapid growth as a savings institution has come about because of HANAFIAH's aggressive marketing program. Under his direction it has launched new depositor campaigns in schools, government offices, companies and factories; conducted door-to-door canvassing; set up mobile information units; and sought a high profile in the mass media. Anyone who qualifies to be a member of Tabung Haji—i.e., any Malaysian citizen who is a Muslim—may make deposits at any of the organization's 69 regional offices or the national headquarters, or at any

of 550 post offices around the country. Increasingly, workers have contributions deducted from their pay checks. To foster efficient banking services, in 1974 HANAFIAH introduced computers. Today virtually all of Tabung Haji's banking operations are computerized.

HANAFIAH also sets membership targets for his state directors each year and then encourages his eager subordinates to exceed them—which they often do. These targets are based on figures showing the total Muslim population of each state, as well as the number of Muslims working in government offices, the police, armed forces, schools, businesses and factories, and those studying in colleges and universities. In this way Tabung Haji now monitors not just pilgrims, but the position, status and income of the entire Malay population. This is in keeping with the government's expressed policy of enhancing the position of its Malay citizens, and especially their economic status. In this vein Tabung Haji, under HANAFIAH's bold leadership, uses the savings of its depositors to participate aggressively in the growing economy of Malaysia.

Nearly half of all Tabung Haji funds are invested in rubber, tin, palm oil and other major Malaysian industries. HANAFIAH insists that his financial managers evaluate potential investments carefully, with an eye not only to reliable performance and high returns, but also to the percentage of Malays among the company's employees and managers. This is in line with Malaysia's New Economic Policy (enacted in 1970) which requires corporations to restructure their equity and management to include higher levels of Malay participation. As a government Approved Investment Institution, Tabung Haji is itself a desirable investment partner for companies seeking to follow government guidelines. If Tabung Haji has five percent share in a company it attempts to place one of its senior officials on the board of directors; HANAFIAH himself sits on the boards of several companies.

Tabung Haji also owns and operates five companies outright. Two of these, operating plantations, have developed over 50,000 acres of oil palm and cocoa on the Malay peninsula and in the state of Sabah, and an oil processing plant. Its Transport and Trading Corporation, which charters pilgrim flights and acts as ticketing agent for pilgrim-related travel, also manufactures and sells special items for pilgrims: the unseamed, white *ihram* garments required of male pilgrims during the holy rites; shoulder-slung passport and money belts; travel bags; cassettes with religious instructions; prayer mats; and plastic bottles for carrying home water from the sacred Zamzam well near Mecca. The Construction and Housing subsidiary builds housing developments, commercial buildings and shopping complexes on land purchased

from the government; and the Property and Management Company manages and maintains the agency's many buildings throughout Malaysia, providing security and housekeeping services as well. One of its divisions supervised the construction of Tabung Haji's magnificent new headquarters in central Kuala Lumpur.

Tabung Haji has also invested in buildings. Today it owns 45 of its own office buildings around the country and has set a target of acquiring 77—one in every major town. It uses these buildings for its own field offices and rents the remaining space commercially. Here again Tabung Haji's policy reflects national goals. In selecting tenants, priority is given to government departments and related agencies and then to Malay entrepreneurs.

The organization's biggest property investment is its own new headquarters, the stunning skyscraper which rises distinctively on the capital's skyline, symbolizing the centrality of Islam to modern Malaysia. At the same time, through its ultra-modern design and its commercial uses, it speaks to the progress of its owners, Malaysia's once predominantly-rural Malays. Recently finished at a cost of M\$109,000,000, it is already valued at nearly twice that amount.

Aside from its buildings Tabung Haji owns a large quantity of undeveloped land and is one of the biggest property owners in Malaysia. For short term investments the organization places its money with the newly established (1984) Bank Islam Malaysia, of which it is a 10 percent shareholder.

Out of its income from investments, property transactions and profits from its subsidiaries, Tabung Haji meets the costs of managing and expanding its banking and financial operations and sets aside a certain percentage each year for contingency funds. Of the remainder, 2.5 percent goes to pay the *zakat* tax, and the rest is divided among depositors in proportion to their balances. These funds do not, however, cover the cost of managing the pilgrimage. For this Tabung Haji has received an annual government subsidy of approximately M\$10,000,000; however the government has indicated that in the future all operating expenses must be financed by Tabung Haji itself. The conservative market value of the investments of Tabung Haji is about M\$1 billion, with an average yearly net growth of M\$60-80 million. It paid a dividend of seven percent in 1985 and eight percent in 1986.

Under HANAFIAH's direction Tabung Haji has become a showcase of modern management. In explaining its success HANAFIAH empha-

sizes the staunch support of the Malaysian government—which has granted the agency a monopoly of pilgrimage administration and guarantees its members' savings accounts, but otherwise maintains a hands-off stance—and the specific cooperation of such ministries and departments as Health, Religious Affairs and Welfare. He points out that public confidence in Tabung Haji is due to its reputation for integrity and the exceptional dedication of its staff. Another key to Tabung Haji's performance, he says, is the concept of open management, which permits both complaints and new ideas to receive swift and serious consideration. The institution invests heavily in employee training (in 1979 HANAFIAH himself attended a three month Advanced Management Program at Harvard University), and prudent use of modern technology has brought speed, accuracy and efficiency to its operations. The mass media has played a key role in informing the public about Tabung Haji's activities and in providing useful feedback. And finally, HANAFIAH attributes some of Tabung Haji's success to his constant vigilance against red tape.

In his office atop the new national headquarters, HANAFIAH presides over and guides a small empire that fosters two of Malaysia's most cherished official goals: to promote Islam as the national religion, and to enhance the wealth and economic well-being of the Malay population. He now dreams of expanding Tabung Haji's savings program to become the basis for a much needed old-age pension fund for Malays and for an orphanage for the children of former depositors.

Although Dato' HAJI HANAFIAH BIN HAJI AHMAD relishes leadership, and has been conspicuously honored for his services to Malaysia—in 1969 and 1980 the king conferred on him the Ahli Mangku Negara and Johan Mangku Negara respectively, and in 1983 the Sultan of Kedah made him Dato' Setia Di Raja Kedah—he is humble about his role as head of Tabung Haji. "I'm not the number one boss," he is fond of saying, "I am the number one servant."

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Hanejoko