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**Continuity and Change In Malaysian  
Politics: Assessing the Buildup to the  
1999-2000 General Elections**

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## ABSTRACT

Given the emergence of the reform movement in Malaysia, speculation has been rife that as Malaysia prepares to take to the polls, the increasing popularity of the reform movement will see the opposition parties blocking the National Front from winning a two-thirds parliamentary majority. This paper argues that because of the current nature of Malaysian politics, the signs of economic recovery, the disorganized nature of the opposition coalition and the ability of the incumbent to use the entire state machinery to support its position, such a scenario seems unlikely for this upcoming election. Nevertheless, the prospect of a two-thirds majority victory for the National Front cannot hide the fact that Malaysian politics may be undergoing some changes, and these changes might pose challenges for the ruling National Front to contend with.

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**CONTINUITY AND CHANGE IN MALAYSIAN POLITICS:  
ASSESSING THE BUILDUP TO THE 1999-2000  
GENERAL ELECTIONS**

**Introduction**

General elections in Malaysia have often been viewed as “no more than a ritual providing a cloak of legitimacy for what is really authoritarian rule”, where elections “allow critics to let off a little steam while giving the government a useful means of gauging the level of public dissatisfaction”.<sup>1</sup> Up until September 1998, the forecast for the next general election (to be held June 2000), would very much have been the same. However, developments since then have led to a dramatic shift in election speculation, with many suggesting that the forthcoming general elections will be the most hotly contested since 1969.

While most speculators believe that a National Front victory is a forgone conclusion, whether the Front can retain its crucial two-thirds majority seems less certain. Scenes of street protests and riots reminiscent of the late 1960s have led many observers to feel that this could be the first time that the National Front will lose its two-thirds majority since 1969. This paper analyses the prospects for this taking place, arguing that the strength of incumbency and the weakness of the opposition parties will mean the drama of the past year will not translate to the National Front losing its two-thirds majority. Nonetheless, the political jostling that has characterized the buildup to the general elections signals that Malaysian politics may have arrived at a watershed and as such, will impact upon the implications of these results.

**The 1998 Reform Movement**

Since September 1998, Malaysia’s political landscape has undergone a fundamental transformation. Prior to September, in the face of a deepening economic crisis, long-suspected differences between Anwar Ibrahim and Mahathir Mohamad were already coming to a head during government debates over the appropriate economic recovery strategies. While Anwar advocated strict austerity measures and increasing

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<sup>1</sup> Harold Crouch, “Malaysia: Do Elections Make a Difference” in Robert H. Taylor (ed), *The Politics of Elections in Southeast Asia*, (New York: Woodrow Wilson Center Press and Cambridge University Press, 1996), pp 114-115.

interest rates, Mahathir argued for the further reduction of interest rates, maintaining that the economic slump was a result of the unbridled activities of foreign currency speculators and hedge funds. These differences reflected what many Malaysian observers have seen as Anwar's attempt to unseat Mahathir from the helm, and culminated in the sacking of Anwar, ostensibly first for sexual misconduct, and later for corruption in covering up sexual allegations made against him.<sup>2</sup>

While the government's financial excesses and disregard for social justice have previously already been taken up in the opposition's election agendas, the Anwar episode nonetheless led to a socio-political awakening of a magnitude never before seen in Malaysia. Led by pro-Anwar followers from the intelligentsia, non-governmental organizations, religious leaders, literary figures and even some disgruntled elements in UMNO:

The Anwar affair has caused a deep split in the party, divided the nation and prompted people to question the foundations of their society, including its political structure, its judicial processes and the power of the police.<sup>3</sup>

Anwar himself held nothing back as he opportunistically fanned the flames of dissent against the establishment by openly criticizing Mahathir's authoritarian rule. The man he once called "father" and "teacher" was now openly lambasted as a power-hungry tyrant who put his and his supporters' interests ahead of the nation's. When Anwar held daily meeting and *ceramah* at mosques and his own front yard, thousand thronged to hear him. Many prominent figures also publicly threw their weight behind the sacked DPM, as public criticism of the Mahathir administration reached unprecedented levels. By the time masked policemen charged into Anwar's private residence and arrested him on 20 September 1998, a social and political crusade for justice and accountability had begun. More than anything else, this backlash has led many in the opposition to believe that the coming elections will see a wave of public resentment against Mahathir transform into opposition votes.<sup>4</sup> Further elevating these hopes, a new political party soon emerged to give form and substance to this new reform movement. Led by the wife of the jailed

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<sup>2</sup> Indeed, many speculated that upon his election as Deputy Prime Minister in 1993, Anwar, spurred on by his supporters, was already harbouring ambitions to challenge Mahathir's position. It is in this context that one can view the recent developments as the culmination of this leadership struggle.

<sup>3</sup> "Anwar war rocks Malaysia's year of conflict", *The Australian*, 28 December 1998.

<sup>4</sup> For example, PAS President, Fadzil Noor, has repeated several times that he expects PAS to win control of up to three states.

former deputy prime minister, Parti Keadilan now serves as an arbitrator to a new coalition of opposition parties.<sup>5</sup>

Since Anwar's sacking, political and economic developments in Malaysia have provided ample ammunition for the opposition to take the offensive against the government. The government's handling of the economic crisis has been viewed as inadequate at best, focusing only on the rescue of large, ailing bumiputra conglomerates (mostly those run by Mahathir's, but also Anwar's supporters) but neglecting SMEs.<sup>6</sup> Likewise, the mishandling of Anwar Ibrahim's trial (and to a lesser extent that of DAP MP Lim Guan Eng as well) has jeopardized the image of the Malaysian judiciary and raised many questions about its independence from the executive. Neither was the state's image helped with the black eye inflicted by former Inspector-General of Police Rahim Noor on Anwar while the latter was incarcerated. Overall, the sentiment is that as the dominant party in the National Front, UMNO's conduct of social, political and economic affairs has increasingly alienated the Malay masses it purports to represent.<sup>7</sup> In turn, this had led to a split in the Malay community, the most vital electorate.<sup>8</sup>

These sentiments have crystallized and found a voice in the new opposition, which some expect to mount a challenge stronger than the Semangat '46-led challenge in the 1990 election.<sup>9</sup> Optimism this time round is grounded upon fundamentally different political and economic circumstances. The economic crisis has alerted Malaysians to the intricate and surreptitious workings of the government's hands in the Malaysian economy.<sup>10</sup> Come crisis time, corporate bailouts are all the more difficult to cover up, or to rationalize away. Neither has the fact that the companies most crippled by the crisis

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<sup>5</sup> Interestingly, Parti Keadilan Nasional was formed on an Easter Sunday, which for Christians symbolized new hope and spiritual rejuvenation.

<sup>6</sup> More prominent examples of this have been rescues of Renong Berhad, Perkapalan and MAS through rather dubious arrangements.

<sup>7</sup> Maznah Mohamad, "Can UMNO Survive?" *Gerakan reformasi Home Page*, 2 April 1999. Of course, this sentiment has been brewing since the 1980s, when the NEP went full steam ahead creating the Malay middle-class, while in many people's eyes neglecting the rural Malay,

<sup>8</sup> "The Politics of Race", *Gerakan reformasi Home Page* (no date given)

<sup>9</sup> While the 1990 election was a significant event in that it was the first time an opposition coalition materialized to challenge the Barisan, the result of the elections were rather disappointing considering the opposition's buildup to the elections.

<sup>10</sup> "We're Not Sunk Yet-Can Mahathir's favourite son save Malaysia Inc.?", *Newsweek International*, 22 March 1999.

are Malay-owned and linked to Mahathir escaped scrutiny.<sup>11</sup> Furthermore, the publicity surrounding Anwar Ibrahim's trial has also revealed many skeletons in the closet of Mahathir-era Malaysian politics, such as the preferential treatment given to many of Mahathir's associates and the manner in which mechanisms of the state are subservient to the Prime Minister's office. Overall, it seems that unlike previous years, the current buildup towards the elections seems to indicate that the hope for a truly democratic, multiracial Malaysian political and electoral system may yet take root. Concurrently, the notion that Malaysians have a chance to change the terms and nature of governance have led many to see the next few months as crucial to the future of politics in Malaysia.<sup>12</sup> It has been noted that:

The end result of this process remains a mystery ... but one thing is for sure: the climate of fear and obedience that was so crucial in maintaining the system of autocratic, centralized rule is now rapidly diminishing and Malaysians are beginning to question the legitimacy of the leviathan that has them for so long.<sup>13</sup>

### **The Nature and Potential of the Opposition Movement**

Coalition politics among opposition parties is not a new phenomenon. Because of the ethnic nature of party politics in Malaysia, opposition politics can only mount a realistic challenge to the National Front as a coalition. The challenge for the opposition movement, as always, is how to take such a coalition beyond the "marriage of convenience" level, into a truly united front.

Both PAS and DAP, the core opposition parties in Malaysia, are acutely aware of the fundamentally dichotomous nature of their respective party ideologies. Even so, the exigencies and opportunities availed in the upcoming elections have led both to divert attention from their differences and focus on their similar goal, that is to deny the National Front a two-thirds majority (even as PAS harbours hopes of upseating UMNO). To that measure, PAS has attempted to endear itself to Chinese voters by

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<sup>11</sup> It is the author's opinion that the recent corporate failures and subsequent governmental interventions have incited much more political interest than other previous incidents, such as the Bank Bumiputra crisis of 1984, which has yet to be adequately explained.

<sup>12</sup> Should an opposition manage to block the National Front from attaining a two-thirds majority, this would have significant repercussions for policy making by the majority party in a parliamentary system such as Malaysia.

opening its party to non-Muslim membership.<sup>14</sup> PAS has also openly spoken for Lim Guan Eng, arguing that it was he who fought for the plight of a young Malay girl against the full weight of a corrupt state. On their part, the DAP has tried to re-assure Malays by softening their platform of “Malaysian Malaysia”, arguing that it still provides room to accommodate the special needs of the Malay community.

Yet notwithstanding the factors that work against the Front’s track record, the opposition’s attempts to come together as a viable alternative and the general political awakening in the Malaysian population, the realistic prospects for the opposition to block a National Front two-thirds victory, to say nothing of an outright electoral victory, remain a difficult proposition.

### **Opposition Politics as New Politics?**

As individual parties, it is almost impossible to envisage the opposition making any significant headway into the National Front’s political domain. Yet collectively, it must nevertheless be realised that it is easier for opposition parties to unite against the government than to unite with one another. Indeed the opposition movement in its current form is as loose a coalition of opposition parties as can be, and subsequently faces fundamental problems in coalescing into a viable alternative.

It has already been highlighted that because of the communal nature of party politics in Malaysia, coalitions are the only realistic route to power. Thus far, the National Front and its predecessor, the Alliance, have formed the most enduring political alignment.<sup>15</sup> This means that to challenge fundamentally the incumbent, the opposition itself will have to present a viable coalition option in which all major communities will be represented.

Currently, the opposition has coalesced into a loose multi-ethnic coalition with the core parties being PAS, DAP and Keadilan. However, the potential of this coalition

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<sup>13</sup> Farish Noor, as quoted in “Tactical Retreat”, *Far Eastern Economic Review*, 21 January 1999.

<sup>14</sup> Of course, whether non-Muslim members will enjoy equal rights as Muslim members would be another issue altogether. This is also not the first time PAS has adopted this election strategy, as it was also part of PAS’ strategy in 1990.



is severely hampered by structural flaws. Not least among these is the inability of all three parties to agree unanimously on a political ideology upon which to build a new government. PAS has long been linked to Islamic fundamentalism. Even at imagination's fullest stretch, its current attempt to break away from that image by announcing its willingness to consider non-Muslim membership applications is hardly convincing.<sup>16</sup> To do so essentially means that the party might have to consider changing its constitution, which calls for the establishment of an Islamic state, and permit "infidels" (which is the term used by fundamentalist PAS leaders to describe non-Muslims) into their midst. As for the DAP, its ideology of a multiethnic "Malaysian Malaysia" clearly runs against PAS' Islamic state. Furthermore, Malays see it as a foreign ideology, emanating from Singapore's Lee Kuan Yew. Considering the historical baggage that comes with this term, it in fact represents an ideology unacceptable and inimical to the Malays.<sup>17</sup> It is indeed difficult to see these two parties coming to agreement as anything more than a loose coalition based on regard for each other's electoral "turf". A similar coalition had been attempted before, prior to the 1990 general elections, and it failed for precisely the same reasons that plague current attempts.

Neither has the DAP's relationship with the new Parti Keadilan been free of tension. Prior to the current election run-up, the DAP had already been experiencing some internal turmoil. Members of the party had begun criticizing Lim Kit Siang for being an authoritarian, nepotistic leader.<sup>18</sup> These criticisms resulted in a party censure of these anti-Lim voices, which in turn led to an exodus of members out of the party. Recent revelations that many of these censured DAP members were permitted into Parti Keadilan's membership has caused some strain between the two parties.<sup>19</sup>

Apart from inter-party stains, intra-party traction further impedes the effectiveness of the coalition. The DAP's problems have already been highlighted. PAS

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<sup>15</sup> To further substantiate this point, it should be noted that parties such as Gerakan, PAS and PBS (Parti Bersatu Sabah), have at one time or another been part of the National Front. Gerakan still remains as a component party of the Front today.

<sup>16</sup> In fact, this might well work against them, for it is difficult to envisage a significant number of Chinese or Indians taking up PAS' offer.

<sup>17</sup> The essential spirit of the DAP's "Malaysian Malaysia" has its roots in the 1946 Malayan Union project and the 1963 "Malaysia Malaysia" ideology of then Singapore Prime Minister Lee Kuan Yew (Singapore was part of the Malaysia Federation at that time). Both attempts at granting equal rights to non-Malays were roundly rejected by the Malay population.

<sup>18</sup> One sore point was the rapid rise of Lim Guan Eng, Lim Kit Siang's son, to the rank of Deputy Secretary General.

<sup>19</sup> "Opposition coalition in crucial talks", *Straits Times*, 4 June 1999.

too, has to perform some internal “soul-searching” as a result of its pursuit of the idea of non-Muslim membership. Already, this proposal has led some senior PAS members to consider quitting the party.<sup>20</sup> The entry of more Malay professionals and Anwar’s UMNO and ABIM supporters into PAS has also caused some tension within the party regarding the political objectives of the party.<sup>21</sup> Moreover, PAS leaders further jeopardize their platform with public statements suggesting, among other things, the withdrawal of Perlis from the Federation, the auctioning off a Putrajaya, the role of women in politics and its attempt to use the Koran to justify the blasphemy used in a politically motivated Malay novel.<sup>22</sup>

Parti Keadilan has also encountered internal problems concerning its efforts to win over Chinese support. Parti Keadilan’s hope to entice Chinese vote has led it to plan much publicized Chinese seminars in Chinese enclaves such as Ipoh, Penang, Kuantan, Johor Bahru, Sabah and Sarawak. Yet at the same time, during a gathering in Taiping, Perak, Keadilan members were reported to have covered plaques bearing Chinese words.<sup>23</sup> On another occasion, Keadilan deputy president Chandra Muzaffar stated that under Keadilan, “the Prime Minister will be a Malay, the Deputy Prime Minister a Malay and this will not change”. Party President Wan Azizah further reiterated this by saying that the nation’s leader must be a Malay based on “historical factors and political realities”. In a stroke of characteristic political savvy, Mahathir responded to these statements by declaring that the Malaysian Constitution never stated that Malays only could become Prime Minister.<sup>24</sup> Indeed, incidents like these have raised questions over Keadilan’s multi-racial platform.

While Parti Keadilan’s political platform may perhaps represent the emergence of a “new politics” in Malaysia, its relative infancy as a political party will ensure that at least for this election, it is unlikely to pose too serious a threat to the establishment. While its political platform seems the broadest, and perhaps the most viable, of all the opposition parties, its lack of infrastructure and organizational depth has not enabled it to harness to full potential of its following. Keadilan leaders themselves are aware of the fact that

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<sup>20</sup> “Ex-advisor to quit PAS if party admits non-Muslim”, *Straits Times*, 2 June 1999.

<sup>21</sup> Some members of PAS are concerned that the admission of UMNO and Anwar supporters might lead to the dilution of the PAS cause in preference for one centered around Anwar Ibrahim’s plight.

<sup>22</sup> Here, the author refers to PAS statements justifying the use of vulgar terminology in the novel “shit”, by Shahnnon Ahmad.

<sup>23</sup> “Azizah’s party puts the wraps on Chinese culture”, *Straits Times*, 26 June 1999.

people are clamouring to join the party faster than the party mechanism can accommodate. In the words of Abdul Razak Baginda then, “Keadilan’s time is not now”<sup>25</sup> Furthermore, some non-Malays remain suspicious of Keadilan’s “multiracial” platform.<sup>26</sup> Keadilan’s challenge then, will be to refine its political ideology to move truly away from the communal tendencies that have persistently plagued Malaysian party politics, and to create a party machinery that will spread its ideology to the rural Malay heartland.

Compared to the various opposition parties, the National Front component parties have displayed better overall control of internal party politics. The 1999 UMNO and MCA assemblies were exercises in party consolidation, and subsequent leadership shuffling was undertaken with minimal commotion. While the Gerakan assemblies and Wanita UMNO might have encountered some internal tension, the respective party leaders have managed to contain and dissipate these tensions while maintaining the all-important veneer of unity.

Essentially then, the potential of the opposition coalition is hampered by the fact that they have three major parties, three leaders and three ideologies.<sup>27</sup> Furthermore, the two main opposition parties, PAS and DAP, are bound by strict ideologies that prevent them from appealing to the general masses. On the other hand, the National Front has effectively unified the ideologies of its numerous multiethnic component parties into one which is broad enough to accommodate all of Malaysia’s races.<sup>28</sup> Hence when compared to the National Front, which has been able to project the image of being one party with one leader and one ideology, opposition politics in Malaysia in its current configuration continues to be plagued by structural dilemmas which will dampen the opposition cause.

### **Establishing a Grassroots Presence**

Another barrier to the reform movement’s hope for success is the absence of a significant network of district and village-level outposts, which is vital if it aims to pose a

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<sup>24</sup> “No bar to non-Malay as PM, say Mahathir”, *Straits Times*, 9 June

<sup>25</sup> Interview with Abdul Razak Baginda in Kuala Lumpur, 10 August 1999.

<sup>26</sup> “Opposition hopes for a boost from Guan Eng’s release”, *Straits Times*, 19 August 1999.

<sup>27</sup> The fact that one of the leaders is a woman also does not sit well with Malay traditionalists.

<sup>28</sup> See James Jesudason, “The Syncretic State and the Structuring of Oppositional Politics in Malaysia” in a Gerry Rodan (ed), *Political Oppositions in Industrialising Asia*, (London and New York: Routledge, 1996).

substantial challenge to UMNO. This is an important consideration in view of the fact that even as a coalition, the National Front has often been carried to victory on the back of UMNO's Malay vote. UMNO's preeminence in Malaysian politics was displayed in the 1995 elections, when it won 89 of the National Front's 162 seats. The MCA's victories in 30 constituencies, together with the MIC and Gerakan total of 14, have likewise been attributed to the assistance of UMNO's electoral machinery in garnering the Malay vote in support of the component parties.<sup>29</sup> In fact in 1995, UMNO was a mere seven seats short of a number which would have enabled it to form the government on its own. This then, is the mountain that confronts the opposition reform movement.

To all intents and purposes, UMNO is a household name in Malaysia. No other party can realistically match the geographical scope and comprehensiveness of UMNO's party machinery.<sup>30</sup> UMNO's presence at federal, *bahagian* and *cawangan* (divisional and branch) levels gives it a ready network that can reach into every corner of Malaysia:

With branches in every village in the country serving its 2.7 million members, the party's ability to track grassroots sentiment is unmatched. To ensure continuous and accurate feedback, UMNO has one party official assigned to monitor each 10 houses in every village in the country.<sup>31</sup>

Since 1990, UMNO has also begun to exert a presence in Sabah and Sarawak.<sup>32</sup> In Sabah, traditionally an opposition stronghold, the entire weight of UMNO's election machinery was thrown behind the National Front's assault during the 1999 state election. This included extensive campaigning by Selangor Menteri Besar Abu Hassan Omar, Deputy Prime Minister Abdullah Badawi, even Mahathir himself. The result was a resounding victory for the National Front.

UMNO's well-established presence in the Malay heartland is a strength which cannot as yet be claimed by either Keadilan, whose influence remains largely an urban phenomenon, or PAS, whose presence is generally confined to the more traditional

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<sup>29</sup> See James Gomez, *The 1995 Malaysian General Elections – ISEAS Occasional Paper No. 93*, (Singapore: Institute of Southeast Asian Studies, 1996), pp 53. Certainly, Mahathir's positive image among the new votes of the minority races, largely a result of the economic boom, also provided some assistance.

<sup>30</sup> See A B. Shamsul, *From British to Bumiputra Rule*, (Singapore: Institute of Southeast Asian Studies, 1986).

<sup>31</sup> "The Will to Win", *Far Eastern Economic Review*, 24 June 1999.

<sup>32</sup> Sparked off by the PBS party's withdrawal from the ruling National Front coalition just prior to the 1990 elections, UMNO thrust itself into the fray of Sabah politics in order to check PBS influence in Sabah and ultimately, to win back the state.

Northern Peninsula states of Kelantan (where it forms the state government), Perlis, Kedah and Trengganu. No doubt both PAS and Keadilan have experienced a burgeoning membership role in recent months, yet their inability to challenge UMNO's grassroots presence will mean that as the protests and publicity die down (as it appears to be happening), the clamour to join the opposition might die down with it. Moreover, protests against the government need not translate into membership in the opposition (even as Pas and Keadilan claim that they have), for protests can take the form of voting abstention or the destroying of votes.

Nonetheless, two caveats are in order here. First, it must be said that PAS' grassroots machinery has improved a great deal over the past year. This is evident in the number of PAS flags and the daily *ceramah* held by PAS, especially in the rural areas of Malaysia.<sup>33</sup> In fact, PAS' strong presence in the Northern Malay states has led many observers to predict that not only will PAS retain Kelantan, but also that some other states might fall into their hands as well.

The second caveat is of greater significance. As it stands, no other organization on Malaysia can claim the kind of country-wide presence that UMNO can. In theory, this allows UMNO to capitalize on the situation, as they will be able to field local candidates right down to *bagian* and *cawangan* level. In Malay culture, the ability to provide "*anak tempatan*" ("local boys") representation in government, which in turn implies an intimate constituent-representative relationship, cannot be underestimated, especially among rural Malay communities.

However, Malaysian realities increasing seem to be at odds with such theoretical assumptions. Instead, party excesses and the increasing alienation of UMNO representatives from their constituents has eroded the party's traditional image. UMNO's image continues to deteriorate in the eyes of many rural Malay voters, and the Mahathir years have seen this image transform from being the protector of Malay interests to that of the rich Malay businessman's party.

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<sup>33</sup> PAS has also allegedly "laid siege" to Mahathir's constituency at Kubang Pasu, by surrounding it with PAS branch offices.

Yet despite UMNO's deteriorating image among the Malay community, one thing remains certain, and that is that the vast network which UMNO has so effectively constructed has linked national development (especially rural development) to the state. In his study on rural farmers, James Scott has noted that they:

“have themselves become more dependent upon the state for their credit and inputs, for their supply of patronage resources and for the ultimate force that guarantees their continued control over scarce land and capital”.<sup>34</sup>

To that end then, UMNO has ensured that the Malays' umbilical cord to the state remains intact. This advantage comes in especially handy during election time, providing avenues for the party to conduct the kind of electoral patronage which will win them votes.<sup>35</sup> In fact, these election tactics are already surfacing in Kelantan, where UMNO has suggested that voting them in will bring about, among other things, a new University, factories and extensive upgrading of Sultan Ismail Petra airport.<sup>36</sup> As for the opposition, their lack of patronage channels have been postulated as a main cause for their consistent failure in recent Malaysian elections.<sup>37</sup>

### **Legal Coercion as the Monopoly of the State**

One important factor that works to the National Front's favour in the upcoming elections is the fact that the incumbent regime in effect controls the Malaysian state machinery, giving it an advantage which should not be underestimated. Characterizing the 1990 Malaysian general elections as “free but not fair”, a Commonwealth Group of Observers report stated that the tools of the state were “unfairly used by the government parties to their undue advantage”. The dual front of the ruling government – an entrenched presence in the constituencies and iron-fist control of the state – allows it not only to distribute largesse in the manner discussed earlier, but also to create and sustain a culture of fear among the people.

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<sup>34</sup> James Scott, *Weapons of the Weak*, (New Haven and London: Yale University Press, 1985), pp 312. Also quoted in Norma Mahmood, “Malaysia” in Norma Mahmood (ed), *Rethinking Political Development in Southeast Asia*, (Kuala Lumpur: University of Malaya Press, 1994), 73.

<sup>35</sup> For example, during a visit in August 1999, the author was informed that at an UMNO representative's ceramah, fliers were being distributed, on which was written in Malay “I will gladly present a little contribution to the people of RM500 each”.

<sup>36</sup> See *Utusan Express*, 4 July 1999.

Of utmost concern to the government is its ability to mobilize the agents of the state – the civil servants. Should the government chose to engage in electoral money politics, polling register manipulation, vote buying and phantom voting, the assistance of these agents of the state is vital to the success of such strategies. In this light, the government’s control of state mechanisms permits it to adopt both “carrot-and-stick” tactics to ensure acquiesce of civil servants. Some of the steps taken, namely bonuses and pay increments for civil servants, have been positive. Yet more coercive methods avail themselves to the state, and which could be applied under more pressing circumstances. Quiet coercion in the form of job transfers (often to the remotest locations), promotion stalling and increment freezes are just some of the known means.

To check the reform movement, the government has managed to exercise its monopoly of violence in a restrained, but nevertheless effective, manner. Street riots were effectively quelled, and the ISA selectively but efficiently used on many of Anwar’s supporters, including government officials. The government’s legislative arsenal also include the Office Secret’s Act, the Sedition Act and the Universities and University College Act, all of which have enabled the government to consolidate its position and extend its control into every corner of Malaysian society.

The proceedings of Anwar Ibrahim’s trial has also revealed the extent of the establishment penetration into the Malaysian judiciary and legal system, and its monopoly of the media through legislation and ownership structuring (UMNO and MCA control large stakes in the major newspapers and in essence run the television and radio stations) has effectively checked the mass media’s independence.<sup>38</sup>

Government legislation has also been used effectively to cut off potential sources of funding for Parti Keadilan. Through a highly suspicious corporate shareholder restructuring exercise, the government has managed to remove Anwar’s corporate supporters from the helm of *bumiputra companies*.<sup>39</sup> This works to deprive the reform movement of much-needed funds.

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<sup>37</sup> See Edmund Terence Gomez and K.S. Jomo, *Malaysia’s Political Economy*, (Cambridge: Cambridge University Press, 1997), pp 181-184.

<sup>38</sup> Evidence of the government’s control of the media was obvious in the removal of the editors of key Malay national newspapers just after Anwar’s incarceration. Not surprisingly, the editors were known to be close to Anwar.

<sup>39</sup> “When line between business and politics is blurred”, *Straits Times*, 7 August 1999.

The one avenue, which the government has been unable to control effectively though, is the Internet. Owing to the long arm of the state, the Internet has in fact been the reform movement's only recourse. Nevertheless, it has been used to great effect inasmuch as it allows the opposition to reach voters with access to the Internet. For sure, "Internet politics" will play an increasingly significant role on the future of Malaysian politics. Yet considering the stakes at the upcoming election, it is quite certain that the National Front government will use every dimension of the state to ensure that it wins a resounding victory in the upcoming election.

### **The Malaysian Electoral System**

The structure of the Malaysian electoral system, the first-past-the-post and single member-district formulas also function to the advantage of the incumbent. In this system, each constituency elects only one member of parliament, and the candidate with most votes wins. Hence, it is not uncommon to have parties or coalitions that barely scrape through with a simple majority, but end up with more than two-thirds of parliamentary seats. Indeed, this was the case for the National Front in 1990, when the coalition won a two-thirds majority, even as their share of the popular vote was only just over 50%. Part of the problem here lies in the fact that electoral boundaries are drawn by the Election Commission, which is appointed by the King at the recommendation of the government. Since the late 1970s, when Article 116 of the Constitution was repealed, it was not uncommon to see some constituencies made up of barely a few thousand voters alongside others with close to 100 000 voters.<sup>40</sup> In other words, such gerrymandering, as K.S. Jomo has highlighted, has ensured that "a rural Northern Malay's vote is worth less than that of a rural Malay in the Central or Southern part of the Peninsula"<sup>41</sup> Depending on the ethnic configuration of the particular constituency then, the incumbent has used this system to great effect.

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<sup>40</sup> Article 116 of the Malaysian Constitution limited the variance in number of voters from the average in all constituencies to 15%. When this article was repealed, the courts decried the move as unconstitutional. Not surprisingly however, the executive decision still prevailed.

<sup>41</sup> See text K.S. Jomo, *Interview at University of Sydney*, February 1999.



## **The Economic Dimension to the Elections**

Considering the extent of popular dissent against the government over the past year, it is no surprise that economic issues remain the government's topmost priority for the coming election. To the extent that economic recovery will boost the government's chances at the polls, Mahathir will be careful to ensure that any call for elections will coincide with firm signals of economic recovery.

The Mahathir years have been marked by unprecedented growth up until the economic crisis of 1998. With more than a decade of 10% GDP growth and an ever increasing per capita income, Malaysia was a Third World economic marvel. The economic crisis has jeopardized this image, and the opposition has chosen to hit out at the dark-side of Malaysia's economic growth, namely corruption, collusion and nepotism. Here, the proceedings of the Anwar trial were especially helpful in revealing patronage dimensions of Mahathir's rule. Indeed, the trial has featured names of Mahathir's closest associates, while a key witness has divulged the receipt of lucrative government contracts. All this alerted Malaysians to the rampant use of political patronage between top politicians and rentier businessmen that has partly characterized Malaysia's NEP economics of the Mahathir years. Furthermore, the fact that Malaysian companies which were most severely hit by the crisis were bumiputra corporations has raised questions as to the success of Malaysia's NEP programmes.

While the opposition can take the moral high ground in criticizing this ugly side of Malaysian economic development, it nevertheless seems that Malaysia's leadership has the experience and wherewithal to transform this "weakness" into strength. Put differently, it is precisely the state's track record as the deliverer of economic development (corruption notwithstanding), and its control over the economy and national resources that allows it to recruit them to the incumbent's favour come election time.<sup>42</sup>

At the recently completed 1999 UMNO General Assembly, we once again caught a glimpse of vintage Mahathir. Previously, in 1998, Mahathir had responded ingeniously to accusations of corruption by printing and releasing a comprehensive list of names and

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<sup>42</sup> See James Jesufason in Gerry Rodan (ed) *op cit.*

contracts that were distributed under the auspices of the NEP.<sup>43</sup> Though implicit, the move was a clear message to UMNO members, and Malays in general, not to “bite the hands that feed them”. In 1999, the same tactic of releasing figures and contracts awarded to Anwar’s followers was used for an offensive against Anwar’s supporters, who had been accusing Mahathir of using state funds to rescue family and cronies in debt.<sup>44</sup> The result of this was that Anwar was implicated of the same “crimes” they were accusing Mahathir of.

Admittedly, Malaysia’s handling of the economic crisis had some critical problems. In the early stages, the government was in a state of denial. This led to the deepening of the crisis as Malaysia lost precious time and resources. Furthermore, corruption was undeniably a factor that affected the downturn. By aiding the well-connected, the government has undermined its own credibility.<sup>45</sup> Yet few will argue that the Malaysian economy is on the mend, with a healthy trade surplus of RM6.2 billion and a conservative estimate of positive 1-2% growth for 1999. More importantly, and with the impending elections in mind, the common man has been reached out to.<sup>46</sup> Indeed in campaigning, the government has been acutely aware of the needs of the common man. The state has been able to keep inflation under control and health care costs down, and unemployment figures have been surprisingly low considering the severity of the economic downturn.<sup>47</sup> Furthermore, in an obvious election tactic, civil servants have been given a special bonus,<sup>48</sup> and the construction industry has received a substantial boost from a new stream of state-funded projects.<sup>49</sup> Schools and low-cost housing have also remained foremost in the government’s agenda. The pragmatic appeal of such measures pose a formidable obstacle to the opposition’s attempt to win votes.

For ill or good, Mahathir’s implementation of capital control measures on 1 September 1998, just a day before he formally sacked his deputy, has enabled him to take foreign currency speculators out of his political equations temporarily. The capital

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<sup>43</sup> The list included both Mahathir and Anwar associates, as well as the name of the accuser himself, Zahid Hamidi.

<sup>44</sup> The main charge was with regard to Petronas’ buyout of Konsortium Perkapalan, a shipping firm owned by Mahathir’s son.

<sup>45</sup> See text of K.S. Jomo, *Interview at University of Sydney*, February 1999.

<sup>46</sup> “Inflation could dent KL economic growth”, *Straits Times*, 22 August 1999.

<sup>47</sup> No doubt, part of the employment strategy has been the repatriation of foreign workers, and replacing them with locals.

<sup>48</sup> “Civil servants to get RM600 each”, *New Straits Times*, 4 June 1999.

<sup>49</sup> “KL government to go on major construction binge”, *Straits Times*, 2 June 1999.

control measures were an unorthodox move which went against the logic of the free market. Though heavily criticized internationally and domestically, Mahathir stood by his decision – and for good reason too, as Malaysia then was facing the potential of a huge outflow of ringgit to local and offshore banks in Singapore, which offered higher interest rates.<sup>50</sup> With these controls in place, Mahathir has been able to create a credit bubble insulated from the global economy. Likewise, this has enabled the National Front leaders to create an euphoria of economic recovery and to foster a spirit of nationalism in not having succumbed to the new form of colonization through the IMF. Of course, the question here is then, what happens when Malaysia lifts the capital controls, as they surely must sooner or later.

While some might suggest that the lifting of capital regulations will see a mass exodus of existing foreign investors, these assumptions are unlikely for several reasons. First, it would be a mistake to assume that capital controls will be lifted overnight. Indeed, the drastic economic measures have already fulfilled its main task of insulating Malaysia from international economic and financial forces which would probably have reacted negatively to Anwar's trial and sentence.<sup>51</sup> With the economic know-how of Daim Zainuddin in place, controls have already begun being lifted piecemeal.<sup>52</sup>

Second, Malaysia's fundamentals are essentially sound. With the burgeoning trade surplus, low inflation and interest rates, and the apparently healthy recovery of the KLSE seem to indicate that Malaysia is well on the road to recovery. While political analysts may fear for the financial and economic repercussions of Mahathir's capital controls, international financiers seem to feel otherwise. Both international and local fund managers have stated that they do not expect a major capital flight once controls are lifted.<sup>53</sup> One such financier responded to queries on Malaysia's economic measures as such: "I don't think the global business community holds a grudge if they can make money".<sup>54</sup> While it may be far fetched to take such a response as representative of all foreign monies, the logic nonetheless seems to hold true. Indeed, such international

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<sup>50</sup> Mahathir and his trusted friend Daim Zainuddin were against increasing Malaysia's interest rates, arguing that this would kill off many bumiputra firms in desperate need for cash. This stand contrasted with that of Anwar and the IMF, which called for interest rate hike, which among other things would keep ringgit on Malaysian soil.

<sup>51</sup> This point was made by Jomo, K.S. in the abovementioned interview.

<sup>52</sup> "Cover Story – Now for this next miracle?", *Asia Inc*, June 1999.

<sup>53</sup> "Resilient", *Malaysian Business*, 1 August 1999.

<sup>54</sup> Wheeler, Charles, interview at Standard and Poor's, *Newsradio Singapore FM93.8*.

financial sentiment has been reflected in their positive response to Malaysia's release of some US\$1 billion in global bonds, offered at a discounted premium 80 basis points above US Treasury rates to encourage investor confidence. The fact that Malaysia might soon be reinstated unto the Morgan Stanley Capital International index has also enhanced Malaysia's recovery process. In fact, it is plausible to speculate that the elections may be called after the traditional October release of the budget, where the government will no doubt be unleashing an array of economic benefits for the public.

### **Historical Analogy, Memory and Minority Politics**

As a multicultural society, Malaysia's record of racial harmony has been impressive when compared to the track record of other countries. Nevertheless, the one black-mark in the otherwise exceptional record has been the racial riots of 13 May 1969. The incident sent shock waves through the tranquil setting of Malaysian politics. It was the first, and thus far only, time the UMNO-led coalition (then known as the Alliance) had lost its two-thirds majority. As a result of its dismal showing and its inability to control the Chinese population, it marked a temporary retreat of the MCA from Malaysian politics. UMNO too, was not left unscathed. The riots led to Tunku Abdul Rahman's resignation, and a total revamp of Malaysia's social structure with the introduction of the NEP (New Economic Policy). Some 30 years later, in 1999, the ghost of 13 May has been raised again as a political tool by the National Front. The fact that public memory of the riots remain fresh (30 years is not too long a time), the invocation of images of racial bloodshed and acrimony will be an effective tool in propping up the Front against opposition campaigning, especially among older voters.

If anything, the DAP's recent resurrection of the concept of "Malaysian Malaysia" gave UMNO the opportunity and the platform to evoke the 13 May memory. In response to DAP's move, UMNO has stated that:

Politicians should not use the issue (of race) to gain power. They should show respect for the compromise and sacrifices made by the Malays and the political understanding reached between the multiracial peoples of this country 41 years ago. If the understanding and provisos are disputed without taking into account the political sensitivities of the Malays, the 13 May incident might be repeated.<sup>55</sup>

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<sup>55</sup> "Call for a 'New' Malaysia", *Straits Times*, 21 May 1999.

Because of memory, Mahathir's invocation of the 13 May incident will always be an effective check against the political opposition which over-tows the line of communal politics, as the DAP has done. It also serves as an effective counter to political opposition that is taken out to the streets. While PAS and Keadilan are seen to be encouraging street protests,<sup>56</sup> UMNO paints itself as the protector of stability, a stability that has given the country peace, economic growth and development; a stability that has enabled the Malay to stand tall among other races. Indeed, UMNO's ability to identify the recent street protests and violence with Keadilan and PAS enables it to gain much political mileage among the Chinese from the use of the 13 May analogy.

No doubt with globalization and development, Malaysia might already have begun its initial stages of slowly moving away from the historical contours of ethnic politics. The emergence of Parti Keadilan, with its highly intellectual and multiethnic leadership, has provided an opportunity for the institutionalization of this process. However, it is doubtful whether the transition away from ethnic politics has been completed to a measure sufficient to impact upcoming polls. In many ways, these doubts have been reflected in the ambivalent response to the reform movement among the Chinese, and to a lesser extent the Indian communities, who remain suspicious of the radical brand of Malay politics that is emerging out of this reform movement.<sup>57</sup> Indeed, until Keadilan can establish itself (a process that requires time), the fact that the other opposition options remain extremist parties compared to the National Front will mean that the minority races will be fully conscious of their social-political circumstances when they approach the ballot box.

### **The Impact of the Minority Vote**

Never since 1974 has the minority vote been of such great importance to the National Front as it does today. UMNO's corruption and alienation from the rural masses has led many to speculate that Malay votes in the upcoming elections will be split down the middle. PAS, more so than Keadilan, is expected to make substantial headway

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<sup>56</sup> No doubt many suspect that the street riots have been incited by UMNO people themselves, in order to tarnish the opposition's image. Nevertheless, such accusations will be difficult for the opposition to prove, considering the UMNO's control of the media.

<sup>57</sup> "Radical" here, in the sense that such politics is being taken out into the streets.

into UMNO's political domain.<sup>58</sup> Mahathir has responded to this changing political scenario by courting the minority, especially the Chinese, electorate.

For the upcoming elections, the National Front has not forgotten the minority races, especially the Chinese, who form a marginally smaller but nonetheless pivotal electorate. The Front's strategy has been targeted at convincing the Chinese public that the reform movement will cause instability. The fact that experienced political parties like the DAP have distanced themselves from the street protests further lends credibility to the government's stand.<sup>59</sup> For the Malaysian government, the Indonesian riots provided the perfect foil to pacify the minorities. The government has used the anti-Chinese violence in Indonesia to their advantage when they identified the Malaysian movement with anti-Chinese activities in Indonesia. The government has also used the images of Muslim-Christian violence in Indonesia to send similar messages, that the reform movement fosters instability. Once instability is equated to economic decline (and this can be done easily), Chinese businesses are quick to respond. Furthermore, the government has used PAS' constitutional commitment of establishing a Muslim state to good effect. The National Front's Chinese leaders have invoked this in order to deter Chinese support for the reform movement, which includes PAS.

In light of the importance of the Chinese vote, Mahathir's high-level visit to China takes on especial significance.<sup>60</sup> In May 1974, Tun Abdul Razak made a similar visit to China. Six days after his return, he dissolved parliament and called for fresh elections. The elections were a resounding victory, and the Chinese vote was viewed as pivotal in locations such as Penang, Trengganu, Selangor and Perak, where the then Alliance Party was expected to come under heavy attack from PAS and DAP. Many see Mahathir's visit as a re-enactment of that important visit in 1974.

The Chinese and Indian communities' cautious response to the reform movement will no doubt work to the advantage of the National Front. As yet, the reform movement has not been able to convince the Chinese that they stand for ethnic parity. In contrast, the National Front system of ethnic politics has evolved into a

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<sup>58</sup> Being fully aware of this, Mahathir has sought to parry PAS' assault on UMNO territory by arguing that PAS is abusing Islam by using it to split a once united Malay nation. See "PM: PAS only a seasonal party", *New Straits Times*, 14 August 1999.

<sup>59</sup> K.S.Jomo, *Interview at University of Sydney*, February 1999.

formula that minority groups are at least familiar and generally comfortable with. For them, a vote for the Front will be a vote for an established, functional and acceptable social-political arrangement. On the other hand, voting the opposition holds a measure of uncertainty which many Chinese and Indians may not want to risk. To that end, it can be expected that the Chinese and perhaps even the Indian electorate will provide the National Front the crucial numbers that ensures victory.

One concern that may impact Chinese support for the National Front is the recent outbreak of the Nipah virus and Japanese Encephalitis disease in Malaysia's pig farms. Pig farming has been traditional bastion of the Malaysian Chinese economy, and the recent outbreak of the virus threatens to jeopardize Chinese support for the ruling government, which has been criticized for their slow and lackluster handling of the crisis. To that effect, a percentage of Chinese votes will no doubt hinge on the government's ability, to stop the virus and compensate pig farmers. While there surely has been some dissatisfaction toward the government's mishandling of this crisis, there is reason to believe that this may not have too great an impact on overall Chinese vote. First, the crisis has ceased, and the issue has been taking on less prominence in everyday Malaysian life. Second, while there has been much dissatisfaction regarding the government's compensation packages to pig farmers, it is highly likely that compensation packages for pig farmers will be improved as part of the government's election strategy in the face of upcoming elections. All in all, while the epidemic might still draw some Chinese votes away from the Front, it is unlikely that its impact on the election would be significant.

Another concern has been raised of late. At the end of July 1999, Bank Negara announced a proposal to merge 58 financial institutions into 6 consolidated banking groups.<sup>61</sup> As a result, the number of Chinese-owned banks will be drastically reduced. This, in turn, has led to speculation that Chinese support for the government might wane.<sup>62</sup> While it is too early to speculate on the direct impact on Chinese votes, it is quite possible that these measures will spark some dissatisfaction in the Chinese financial community. Nevertheless, this bank consolidation exercise bears good economic logic as

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<sup>60</sup> See "Playing the Chinese Card", *Far Eastern Economic Review*, 26 August 1999.

<sup>61</sup> "KL defends bank merger plan", *Straits Times*, 3 August 1999.

<sup>62</sup> "Bank merger plan angers Chinese", *Straits Times*, 23 August 1999.

well, as it follows a current global trend of banking mergers to increase competitiveness.<sup>63</sup> Furthermore, from a political angle, the Chinese community might be able to use the MCA in order to buffer the impact of the mergers on Chinese financial interests.<sup>64</sup> The reaction of the Chinese to these recent developments, and the consequences, if any, will need to be closely followed.

### **Mahathir's Politics and its Impact on Malaysia.**

In any contemporary study of Malaysian politics, the impact of the so-called "Mahathir factor" must undoubtedly be seriously considered. Notwithstanding the current tide of opposition against him, Malaysian observers have repeatedly pinpointed the fact that Mahathir's political track record indicates that he works best under pressure. Indeed, Mahathir himself might be the greatest test for the opposition, and the opposition must be aware that their fight is more a fight against Mahathir than against the National Front or even UMNO.<sup>65</sup>

Mahathir has been in power for 18 years. More importantly, he has survived several moves to topple him (either from within the party, or from outside the party in national elections), an economic recession and the disbanding of UMNO. Through all these challenges, Mahathir has survived as a result of characteristic political shrewdness.<sup>66</sup> K.S.Jomo has rightly noted that "while Mahathir has lost legitimacy with much of the Malay community, he is undoubtedly the most astute politician around and has all advantages of long-term incumbency".<sup>67</sup> As the Prime Minister of Malaysia, he has overseen the development of a strong economy and the strengthening of the Malay identity, while at the same time augmenting his personal power and surrounding himself with a wide network of political and economic support. No doubt, the current economic crisis and social protests may pose a serious threat to his political power and test his mettle to its limits, yet Mahathir is famous for his ability to survive crises, and may just be able to pull this off again.

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<sup>63</sup> Banks in Singapore, Japan, Thailand and Indonesia have embarked on similar banking merger exercises to improve the competitiveness of their respective local banks.

<sup>64</sup> In the 1980s, the Chinese financial community purchased a controlling stake in UMBC through the MCA, which enabled them to block a merger with Bank Bumiputra. While not an exact situation, such political means nevertheless provide an avenue for the Chinese to maintain some measure of control over the bank restructuring process in Malaysia.

<sup>65</sup> "God determines when a tyrant shall fall", *Harakah*, 23 December 1998.

<sup>66</sup> See Khoo Boo Teik, *The Paradoxes of Mahathirism*, (Kuala Lumpur: Oxford University Press, 1995).



On the economic front, it has already been noted how Mahathir manipulated the economy in a manner which would insulate it from foreign attacks which he claimed caused Malaysia's problems in the first place, while at the same time overseeing an economic recovery plotted according to his own plan.<sup>68</sup>

In the political arena, the subtle maneuverings characteristic of Mahathir have enabled him to consolidate his position both within UMNO and as Prime Minister. First, his selection of Abdullah Ahmad Badawi as his deputy was very much a calculated response to threats to his own credibility. Mahathir's sacking of Anwar Ibrahim brought about a wave of accusations flung at him of corruption, of being un-Islamic and an autocratic leader. All this contrasted with the image of his popular ex-deputy, who was seen as a pious Muslim who championed social justice and the small Malay businessman.

The selection of Abdullah Badawi has been especially significant in this light. For one, Abdullah Badawi's projected image is one of a generally "clean" politician.<sup>69</sup> Furthermore, his genteel nature and Islamic background has also worked to Mahathir's advantage as an effective counter to PAS. While Mahathir was wary of confirming Abdullah Badawi's position as his successor in the weeks following the appointment, he has since publicly stated that "unless he does something that would disqualify him, he should be the successor". No doubt, Badawi had to earn Mahathir's backing by coming through the trials of the Sabah elections and embarking on a nation-wide tour to explain Anwar's sacking. In January, Mahathir further consolidated his position by re-shuffling the cabinet and strengthening his position by appointing loyal supporters to important positions and relinquished his hot-pot home ministry portfolio.

To further shore up his support, Mahathir has also constructed a foreign bogey, Western nations, to detract attention from his government while at the same time rallying domestic support behind it. Accusing Anwar of being a puppet of foreigners out to "re-

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<sup>67</sup> See Jomo, *Interview at University of Sydney*.

<sup>68</sup> For example, it has been noted by none other than Daim Zainuddin that in the NEAC (National Economic Action Council), Mahathir was pretty much the only official in favour of the capital control measures he himself proposed. Yet eventually, he was able to convince the rest of the council, and pretty much the rest of the nation, off the viability of such controls. See "Doctor Knows Best", *Far Eastern Economic Review*, 24 June 1999.

<sup>69</sup> Considering the image of UMNO politicians today, the fact that Badawi has been acknowledged to be "clean" cannot be underestimated.

colonize” Malaysia, he has managed to curb the influence of the Western supported reform movement, and especially Parti Keadilan. In the same vein, Western endorsement of Keadilan’s socio-political reform platform may well work against it, as much of Malaysia seem to throw their support behind Mahathir when the battleline is drawn against foreign intervention.

In this light, the opposition was hardly helped by US Vice-President Al Gore’s endorsement of the “brave people of Malaysia” at the recent APEC meeting. Such statements made it much easier for UMNO to draw the parallel between the reform movement and foreign interference: “Anwar’s supporters should realise that by staging anti-government demonstrations, they are rendering free service and dancing to the tune of Al Gore and the US government”.<sup>70</sup> Certainly, Gore’s statement would backfire on the reformasi movement as it can confirm its leaders were the Western stooges UMNO has painted them to be. The admission of Anwar’s associates that the former had stashed away six boxes worth of documents overseas only adds fuel to the fire.

There is no doubt the opposition has directed their frontal assault on Mahathir himself, arguing that he has overstayed his welcome in the country’s highest office, and has in the process accumulated for himself and his supporters large amounts of wealth and power. Nevertheless, Mahathir has not only managed to parry such attacks with political ingenuity, he has also responded with his own offensive into the opposition heartland in Kelantan and Kota Melaka, a traditional DAP stronghold.<sup>71</sup> Mahathir’s much publicized reconciliation with the Sultan of Kelantan and his reinstatement of Tengku Razaleigh Hamzah into the UMNO fray are all part of a massive assault upon PAS’ position in Kelantan. Indeed, if Mahathir view a two-thirds majority victory in 1999-2000 as the crowning glory of his career, the return of Kelantan to UMNO must surely be the diamond upon the crown.<sup>72</sup>

Thus far, Mahathir has stated that he intends to remain in power until the economy recovers. His desire to go into the history books as the man who took Malaysia to unprecedented levels of development and later the one who pulled Malaysia out of

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<sup>70</sup> “Politicians-Malaysia: Debate Simmers Over ‘Reformasi’ Protests”, *Inter-Press Services*, 23 November 1998.

<sup>71</sup> See “Taking the Election Bull by the Horns”, *The Sun*, 14 August 1999.

<sup>72</sup> Whether he succeeds or not is, of course, a different issue altogether.

crisis without bowing of Western pressure will ensure that he uses everything in his power to win the upcoming elections, and to win convincingly.

### Analyzing the Election Arithmetic

The National Front approaches Malaysia's 10<sup>th</sup> general election in one of its strongest positions ever. In the 1995 election, phenomenal economic growth carried the Front to victory in 162 out of 192 parliamentary seats. Perak, Pahang, Selangor, Perlis Negeri Sembilan and Johore emerged as Front strongholds, with the Front winning all of the contested seats.<sup>73</sup> To break the Front's hold on the two-thirds majority then, the opposition has to win 65 seats, 35 more than it won in 1995.

For reasons already discussed in detail earlier, winning 65 seats will be a daunting task for the opposition. Due to its entrenched presence throughout Malaysia, the Front will likely be able to retain some core Malay states such as Pahang and Johore, the East Malaysian seats in Sarawak and Sabah, and the states with a high density of Chinese, namely Selangor, Penang and Perak. The Front's performance in the Northern Malay states is less certain, as it is widely believed that there, the Malay votes will be split. Nevertheless, the distribution of economic largesse may enable UMNO to win more than half of the Malay vote.

How then, will the arithmetic work out? In addressing this question, a recently conducted unofficial survey (see Annex A) could perhaps provide some insights.<sup>74</sup> In this survey, three observations are worth noting: first, the racial and gender breakdown of "voters" is a fair representation of Malaysian society; second, the Malay vote is split between the National Front and PAS; third, the non-Malay electorate account for a large percentage of National Front votes. Further, these observations raise two issues that may well be a reflection of what might transpire when Malaysians actually take to the polls. First, the Malay vote, once the bastion of UMNO and the National Front's mandate, will be split down the middle. Second, the non-Malay vote, and especially the

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<sup>73</sup> Perlis has since seen an increase in PAS activity.

<sup>74</sup> 13 August 1999. The author wishes to thank the person who conducted the survey for sharing with him his findings. The person has requested that both he and the University in which this survey was conducted remain anonymous.

Chinese vote, will play a proportionately greater role in this election. Simply put then, UMNO and the National Front will be carried to a two-thirds victory again, but it will be on the back of mainly Chinese, not Malay support.

### **Continuity and Change in Malaysia**

There is no doubt many Malaysians have axes to grind with the government. Some have even taken their protests to the streets. However, to suggest that these sentiments will translate into a number of votes enough to break the National Front's two-thirds majority requires some fundamental facts to be in place. Of primary importance is whether there is an alternative government to the UMNO-led National Front. Much as some Malaysians have a distaste for Mahathir and the Front, the opposition, whether as individual parties or a coalition, do not provide a viable alternative. First, it is made up a disparate group of parties who apparently seem to be willing to bend their own rules in order to wrestle some power away from the Front. Neither does the opposition movement have a concrete, unified political or economic agenda, and its aim seems limited to "check(ing) the present dangerous slide towards one-man rule where all institutions of governance are directed towards preserving the power of a certain individual".<sup>75</sup>

Other factors outside of the movement also works against it, The Malaysian economy is on the road to recovery. More importantly, the government has ensured that the people have not been plunged into the economic doldrums of their neighbours in Indonesia. Furthermore, in its firm control of all the mechanisms of the Malaysian state, the ruling National Front has the available wherewithal in order to ensure victory. All these factors form formidable, almost insurmountable, barriers to the opposition's hopes of breaking the National Front's two-third majority.

Considering these social-political realities of Malaysian politics then, it is difficult to envisage the opposition breaking the National Front's hold of a two-thirds parliamentary majority. Nevertheless, the result will not be an accurate reflection of the changes which Malaysia's society and politics is undergoing. Indeed, Malaysian politics today is in a state of flux. While many Malaysians are unsure of the increasingly loud

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<sup>75</sup> "For Mahathir, A Rocky Political Ride in 1999", *Inter-Press Service*, (no date given)

calls for change, many also do not desire for the continuity of the current race-oriented, money-tainted politics. Notwithstanding the incumbent's anticipated victory, there are three interconnected issues that the buildup to the elections has unearthed, and that might impact the future shape of Malaysian politics.

First, there are vague signals that the political culture of Malaysia is changing, with non-material issues starting to take root in the minds of the electorate. No doubt rapid industrialization and economic development have provided the incumbent National Front government with a solid mandate. However, these developments have also fostered the rise of a Malay and Chinese middle class, most of them educated in the same schools and working in the same offices, and who have recently begun pressing the cause of democracy more fervently under the veneer of a multiracial reform movement. This in turn, might have an impact on the shape of democratic politics in Malaysia in the coming years. Barrington Moore has noted that "a vigorous and independent class of town dwellers has been an indispensable element in the growth of parliamentary democracy. No bourgeois, no democracy".<sup>76</sup> In identifying a "Third Wave" of democratization, Samuel Huntington commented that:

"the movement of countries into the middle-income ranges of the economic transition zone thus led to changes in social structures, beliefs, and culture that were conducive to the emergence of democracy. Extremely high rates of economic growth in some countries also generated dissatisfaction with the existing authoritarian government".<sup>77</sup>

To what extent the middle-class of these two ethnic groups can come together to push for "racially blind" democratization will be of consequence to the future of Malaysia.

Second, the emergence of the minority populations, especially the Chinese, as a key electorate will have important implications for the ethnic complexion of Malaysian politics. Non-Malays currently form about 40% of the Malaysian population. While still a minority, they nonetheless have sufficient numbers to turn the tide in a close election when Malay votes are split, as this paper argues the case will be for Malaysia's upcoming election (even if the decision would basically be a Hobson's choice one).

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<sup>76</sup> Barrington Moore, *Social Origins of Dictatorship and Democracy*, (Boston: Beacon Press, 1966), pp 418.

<sup>77</sup> Samuel Huntington, *The third Wave, : Democratization in the Late Twentieth Century*, (Norman and London: University of Oklahoma Press, 1991), pp68.

Likewise, the minority communities will be alert to the fact that their support has been crucial to the success of the National Front. This would put them in a better bargaining position vis-à-vis UMNO in order to gain more political and economic concessions. In turn, such pressures on UMNO might also spark a reciprocal response from the Malay community. The manner in which these dynamics are played out could also have an impact on the complexion of Malaysian politics and society.

A third issue is the declining role of UMNO in Malaysian politics. This paper has suggested that the UMNO-led National Front may well retain power on the back of the back of minority support. In other words, for the first time in Malaysian history, the National Front will win an election *despite the fact that Malays are turning away from UMNO*. This proposition has grave implications for the future of UMNO, of the National Front, and indeed of Malaysian politics in general.

Over the past 18 years, UMNO has transformed from being the revered champion of Malay interests to a party for the conduct of personality politics, and now to a tool for Mahathir's personal ambitions. Mahathir's tight control on the political and economic spheres of Malaysian society has largely been administered through the political party which he leads. As result of rampant money politics:

“(UMNO’s) original dictum of ‘Ketuanan Melayu (Malay Overlordship) rings increasingly hollow to the Malay masses. UMNO leaders are not in step with the ‘other’ side of development. The party is marginalising many groups of ‘disenfranchised’ Malays, who are the victims of skewed development. UMNO leaders’ recurring resort to Machiavellian and dirty tactics for political survival is leaving a moral legacy that is full of holes. It is also leaving a gaping leadership credibility gap”.<sup>78</sup>

Because of its close association with Mahathir, UMNO's image is in danger of being in the way of any Malay emotional backlash in response Mahathir's recent criticism of the Malay community during his nation-wide election tour. In commenting on the Malay's inability to attain high educational standards and on their “emotional irrationality”, he has incurred the anger of Malays, an anger which can easily be turned

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<sup>78</sup> Maznah Mohamad 1999, *op cit*.

upon UMNO. If, after Mahathir fails to heed the calls for reform, he might well become a victim of the assertive Malay citizen he has spent his life trying to create. Should UMNO remain closely identified with him, the party and all it has stood for may well fall with him by the wayside.

Yet even as one analyzes the prospects for change, one must not underestimate the enduring traits of continuity in Malaysia, the most resilient of which is the dominant position of the Malays. No doubt Moore's and Huntington's hypotheses seem to be playing out in Malaysia in these still early days of the reform movement. However, one must realize that this process of democratization goes against the grain of Malaysia's fundamental societal structure. Genuine democratization will demand what many Malays will be loathed to concede – the abandonment of special rights and privileges for true equality under the banner of a “Malaysian” nation. To that end, any prospects for change also has the potential to spark a backlash among the Malays, especially if they feel their position to be under threat.

The manner in which these dynamics of continuity and change play themselves out against the other could determine the future course of Malaysian politics. To that end, the buildup to the elections has alerted us to all these issues. How exactly these dynamics will be played out, and which direction Malaysia is going to take, is something only time can tell. But as far as election results are concerned, it is difficult to envisage the incumbent losing its grip on the two-thirds parliamentary majority.

## ANNEX A

Results of a voting exercise conducted at a Malaysian University:

Number of participants	: 550
Percentage of non-voters	: 20.3%
Female “voters”	: 76.5%
Male “voters”	: 23.5%

Racial Breakdown of “voters”:

Malay	48.3%
Chinese	40%
Indian	7.1%
Bumiputra (Muslim)	0.9%
Bumiputra (Non-Muslim)	3.4%

Top 6 states from which “voters” originated:

Kelantan	17.8%
Penang	14.4%
Perak	12.2%
Kedah	9.9%
Johore	9.3%
Sarawak	9.3%

Percentage of “voters according to parties:

National Front	57%
PAS	20.5%
Parti Keadilan	10.7%
DAP	10.4%
PRM	0.6%
Others	0.8%



Results of voting according the race:

**Malays**

National Front	44.7%
PAS	41.8%
Parti Keadilan	12.9%

**Chinese**

National Front	66.2%
PAS	24.6%
Parti Keadilan	7.7%
PRM	1.4%

**Indians**

National Front	80%
Parti Keadilan	12%
PAS	4%
DAP	4%

**Bumiputra (Muslim)**

National Front	33.3%
Parti Keadilan	33.3%
Others	33.3%

**Bumiputra (Non-Muslim)**

National Front	83.3%
Others	16.73%