

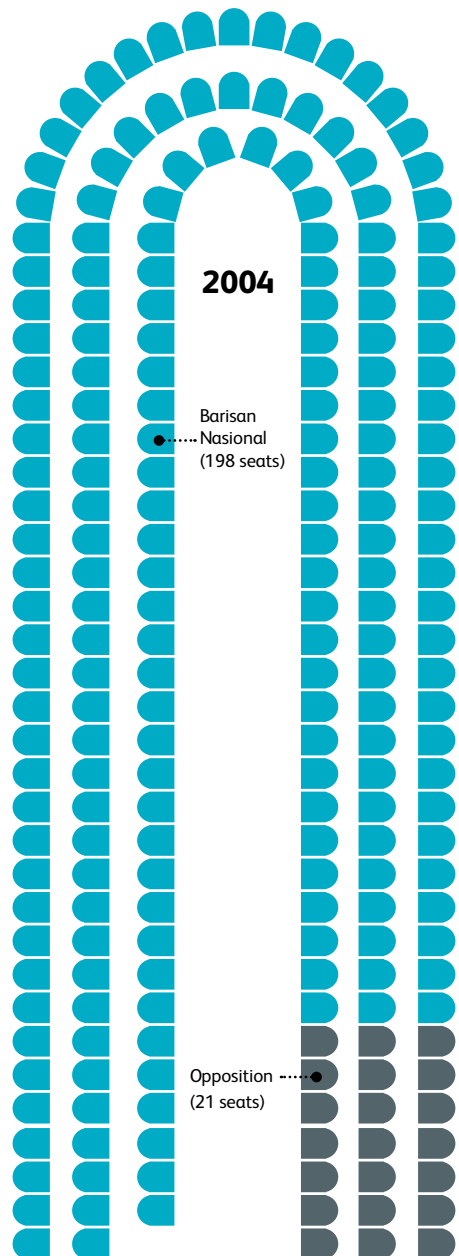
Change at Last in Malaysia

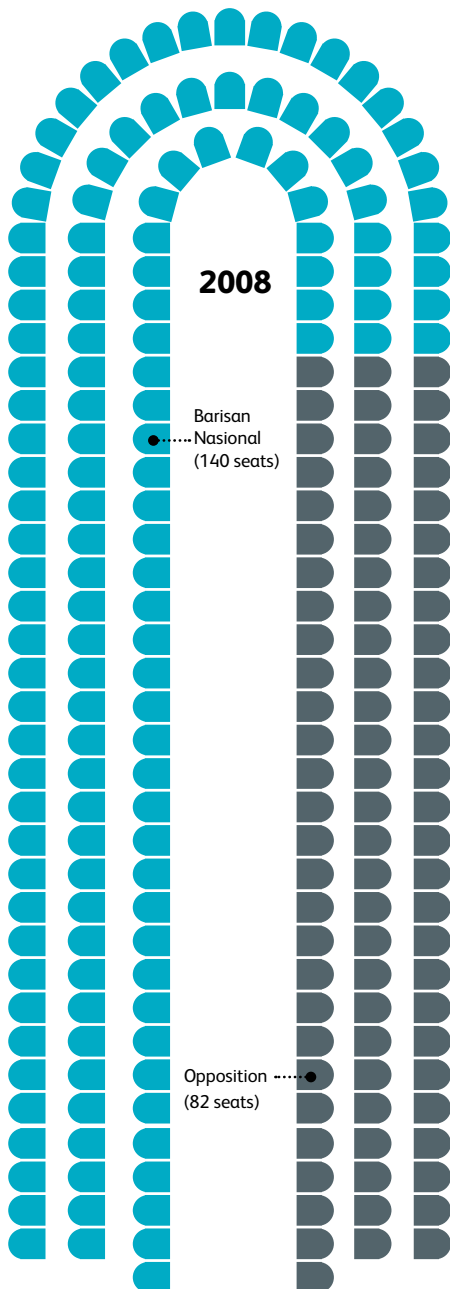
By Karim Raslan

For decades, the idea that any party other than UMNO would dominate Malaysian politics was unthinkable. That is changing. Fractures have developed in the ruling coalition and a change in power appears on the horizon. Malaysian columnist Karim Raslan explores the fast moving developments that could herald a new era in the country.

THIS HAS BEEN A WATERSHED YEAR for Malaysia. After decades of quasi-authoritarian rule and the domineering presence of strongman Mahathir Mohamed, key Malaysian political themes — race, religion, civil liberties and corruption — are back under the full glare of public attention. Unlike in the past, there is now very limited willingness to continue with the pre-independence consensus that chose to play down or ignore these issues under the pretext of promoting national development. It would appear that the social contract hammered out by the British during colonial rule, and perfected by Malaysia's aristocratic and plutocratic elite since, is under direct attack.

Change it would appear is imminent. After over 50 years of rule led by the United Malays





National Organisation (UMNO), a shift in power led by the charismatic, if divisive, former Deputy Prime Minister Anwar Ibrahim appears at hand. The ruling coalition suffered a blistering setback in March 8 parliamentary elections, and Anwar himself won a seat in a by-election on August 25th. Still, even if Anwar fails in his quest to become the next prime minister, his ambitious agenda will have altered the national debate irrevocably. Having seen the direct correlation between corruption and abuse of power, Malaysians will no longer be willing to put up with a compromised civil liberties agenda.

Half a century after independence in 1957, this former British colony has finally begun to shrug off the elite, race-based political structure engendered during colonial rule and perfected by UMNO.

The majority Malay/Muslim UMNO has led Malaysia's ruling coalition, known originally as the National Front and later as the Barisan Nasional, since independence. With the exception of an outbreak of racial violence in 1969, the past 50 years have been a relative success as per capita gross domestic product, life expectancy and other measures of economic progress have soared. That record has been impressive even in recent years. From 2000 to 2007, for example, GDP per capita almost doubled to US\$6,550 from US\$3,881. Similarly, life expectancy rates are fast approaching developed world levels, with 77 years for women and 72 for men.

With annual exports valued at US\$183 billion compared to Sweden's US\$166 billion, and a trade surplus of some US\$37.6 billion, Malaysia has emerged as a notable presence in the international business community, with trading and industrial capabilities far larger than its modest population of 27 million would seem to suggest.

MALAYSIAN GENERAL ELECTIONS

Elections in Malaysia are held no more than 5 years apart where, since 2008, 222 seats make up the 'Dewan Rakyat' (Malaysian Lower House). Barisan Nasional (BN) has ruled the country since its independence but there appears to be a shift in public sentiment in 2008.

Certainly, the government was insensitive to the extent of the non-Malay unhappiness as well as the growing dissatisfaction among urban Malay communities who saw UMNO and its political leaders as a major source of corruption and abuse of power.

\$3,881

MALAYSIA'S GDP PER CAPITA FOR 2000 (US\$)

\$6,550

MALAYSIA GDP PER CAPITA FOR 2007 (US\$)

At the same time, however, after 22 years of Mahathir's iron-fisted leadership, the country's domestic political institutions have been almost entirely hollowed out. By 2003, with the transition of power to his handpicked successor, Abdullah Badawi, Malaysia's once responsive political and administrative system had grown inert, corrupt and ineffective. The judiciary and the civil service — institutions that were once the pride of Asia — have been reduced to mere shadows of their former selves, as an all-powerful political elite centered on UMNO grew increasingly dominant.

Nonetheless, in the 2004 national polls, Abdullah Badawi, a more diffident and low-key figure with a phalanx of young, principled advisors swept the country with his mantra of change: "work with me not for me." Espousing a less top-down approach to policymaking and a more open attitude to civil liberties and institutional reform, Abdullah went on to win an unprecedented majority (some 63.9 percent of the

popular vote) and a clear mandate for change (198 seats in the then 219 seat Lower House).

Unfortunately, the initial promise was not fulfilled and Abdullah fell short of expectations on many fronts. Dealing with Mahathir's enduring legacy — and, indeed, the man himself — proved both challenging and complex despite Abdullah's respectfulness in the face of the older man's unambiguous demands.

At the same time, managing UMNO's party activists (dubbed "the warlords") as they lobbied for choice government contracts and preferential treatment under the longstanding, but increasingly controversial New Economic Policy — which affords ethnic Malays affirmative action over ethnic Chinese, Indians and other segments of society — proved enormously time-consuming and difficult.

Indeed, in the eyes of many economists and businessmen, the affirmative action policies had become a major drag on economic growth. UMNO leaders refused to acknowledge the extent to which these policies were now hindering growth despite clear evidence of the greater attractiveness of alternative destinations for foreign direct investment such as Vietnam, China and India. The party's refusal to countenance any reform or even minor changes thereby prolonged and deepened the corruption and inefficiencies within the government's implementation and delivery systems.

At the same time, the Barisan's hitherto well-regarded and effective management of the complexities of multi-racial living also became increasingly sclerotic. The dominance of the Malay/Muslim voice and a growing sense of religious exclusivism backed up by Islamic institutions with an expansionary agenda alienated many non-Malays and non-Muslims, especially in the more developed and highly urbanized west coast of peninsular Malaysia.

In these predominantly mixed-race communities, pell-mell industrialization and inward migration from elsewhere in the nation of 27 million had created large suburbs with limited racial interaction and conflicting demands in social, economic and religious spheres of life — especially over places-of-worship: churches,

Hindu and Buddhist temples. The inability of the Barisan to cope with these demands, especially from Christians and Tamil Hindus, led to a heightening of racial uncertainty in the weeks leading up to the March parliamentary polls.

Tensions within key Christian and Tamil communities (each of which constitutes nearly 10 percent of the population) were set against a period of mounting inflationary pressures caused by rising food and energy prices. It is arguable

campaign fuelled the rise of the hastily assembled opposition alliance (called the Pakatan Rakyat) led by Anwar. His own party, Parti Keadilan Rakyat (the People's Justice Party), scored a major victory, winning 31 seats — an increase of 30, matching UMNO's losses exactly. The predominantly ethnic Chinese Democratic Action Party (DAP) and the Islamist Parti se-Islam Malaysia (PAP), which has a strong grass roots following, also recorded similar gains.

\$166bn

SWEDEN'S ANNUAL EXPORTS (US\$)

\$188bn

MALAYSIA'S ANNUAL EXPORTS (US\$)

that Abdullah failed to anticipate the discontent on the ground and the extent to which economic issues had sharpened the frustration over the civil liberties agenda. Certainly, the government was insensitive to the extent of the non-Malay unhappiness as well as the growing dissatisfaction among urban Malay communities who saw UMNO and its political leaders as a major source of corruption and abuse of power.

As a consequence, March 8th witnessed a drastic and, frankly, unexpected fall in the popular vote — over 11.7 percent, and a loss of 58 seats in Parliament, with UMNO bearing the brunt of the losses. The government's inept

At the provincial level, four state governments on the peninsular west coast crumbled in the face of the Pakatan — all of this despite the opposition's limited access to media and government resources.

Malaysians awoke on March 9th to a totally unfamiliar political paradigm. Contrary to the election fear mongering by the Barisan, the rakyat (or the citizens) were calm, sanguine and even excited in the face of change. Indeed, in retrospect, Pakatan's victories in areas along the "backbone" of the nation — with states ranging from the industrial heartland, Selangor in the south to Perak, Penang (the center of the IT and

electronics industries) and Kedah in the north, representing well over 70 percent of the country's GDP — was extraordinary. Meanwhile, the Islamist party, PAS, retained control of Kelantan on the east coast with an enhanced majority.

All in all, the opposition's ranks swelled to 82 seats, thereby depriving Abdullah of the psychological two-thirds majority required to amend the constitution. This development, combined with the fact that five state governments had fallen to Pakatan rule, has emboldened the opposition. They now command an unparalleled level of attention both inside and outside Parliament.

Unfortunately, having ruled with a minimum of opposition for so many decades, the Barisan has not responded well to the democratic challenges. The civil liberties agenda, despite some initial positive-sounding statements from Abdullah in the aftermath of the polls, remains stalled. A Judicial Appointments Commission that was envisaged to re-inject independence and professionalism into the judiciary appears to have been forgotten. The internal weaknesses and perceived lack of independence of the entire legal system, from the police to the judiciary, has undermined the credibility of these institutions, culminating in a series of shameful revelations from the so-called Lingam Inquiry that exposed considerable external manipulation of senior appointments.

Indeed, most Malaysians brushed aside a recent sodomy charge against Anwar as little more than a politically motivated prosecution. A survey by the Merdeka Centre estimated that only 11 percent of Malaysians believed the charges were true. The near total distrust in the security apparatus has made the case a non-starter in the court of public opinion.

Similarly, the mainstream media remain shackled by a combination of ownership (principally linked to political parties and their proxies) as well as onerous annual licensing provisions ruthlessly employed by the government such as the Printing Press and Publications Act. This state of affairs has only served to force debate and discourse onto the Internet where a thriving blogosphere has begun to reflect Malaysia's startling diversity.

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"Industrial heartland" states, including Selangor, Perak, Penang, and Kedah.

Other states

While many establishment pundits have hinted that Abdullah has been pushing for a Gorbachev-style glasnost, it is apparent that his administration is losing its initial enthusiasm, exhausting what little goodwill still remains among the public as Anwar, ever the firebrand, ramps up pressure on the aging prime minister and his team.

Abdullah's position has not been helped by constant and vehement calls for him to step down from within his own party, UMNO — led by his predecessor Mahathir. The perceived power vacuum has led to an unholy scramble for position within UMNO, thereby reinforcing a sense across the nation and indeed the Malay community that the party is little more than an engine for self-enrichment and self-promotion. The dominant party's lack of ideological basis save for its atavistic racial credo has made renewal a near impossibility at least until the party can focus on internal matters properly.

Still, the realization that Malaysia was experiencing a rare political re-alignment also led to tensions within the Pakatan Rakyat. Political opportunism is a bipartisan fact of life. The composition of the state governments illustrated internal divisions that reflected the underlying ideological conflicts between the socialist and secular DAP, on the one hand, and the avowedly Islamist PAS, on the other.

Notwithstanding this, the Pakatan has managed to hammer out various power-sharing arrangements. Much will still depend on Anwar and his keen political skills even though many are skeptical of the long-term intentions of the Islamist party, PAS.

Interestingly, uncertainties at the state level have refocused attention on the growing force of royal activism in Malaysian politics. Ironically, the Sultans (of which there are nine) were previously sidelined after a fierce face-off with Mahathir in the late 1980s. They now look to emerge as critical players, especially if, as expected, a broad two party system becomes a fact of life.

The experience of Malaysia's royal families suggests that the newly emerging political reality will see the marriage of tradition and change.

Certainly, if Anwar is to succeed with his ambitious rewriting of the Malaysian social contract — shifting the axis of political engagement from race and religion to class and income levels — the Malay community in particular will need to be reassured of its position while reforms are introduced to achieve greater racial equality.

The situation in Malaysia will remain unclear for the rest of 2008. While Abdullah has announced a transition plan to hand over power to his deputy, Najib Razak, by 2010, many are concerned about the party's long-term prospects especially since the anointed successor is himself facing a barrage of negative publicity over a supposed, but unproven, connection to the brutal murder of a Mongolian model and translator, Altantuya Shaariibuu.

The political temperature will remain close to boiling point as long as Anwar seeks to achieve a mass crossover of Barisan MPs. Still, the former deputy prime minister has shown his ability to pull off victories in the face of gargantuan challenges. However, his mercurial personality remains difficult to read. While there is a growing sense of the inevitability of his rise, this could easily unravel if he over-reaches himself.

Whatever the case, the Malaysian voting public has rejected a moribund political system. Whoever emerges from 2008 as the winner, whether it is Abdullah or Anwar, will be faced with a populace that expects and wants change. Power will only be granted on delivery of a more responsive and dynamic political system that better reflects the people's willingness to reach beyond the consensus set out over half a century ago.

Karim Raslan in a Malaysian columnist and consultant who divides his time between Kuala Lumpur, Malaysia, and Jakarta and Ubud, Indonesia. He is the author of *Ceritalah: Malaysia in Transition* (1996) and *Journeys Through Southeast Asia: Ceritalah 2* (2002). He is currently working on his third collection of essays.