Malaysia’s Political Transformation: What Happened to the Reformers?

Bridget Welsh
Euphoria that swept the country after last year’s election has given way to disappointment and acrimony as the new government struggles with demons that have haunted Malaysian politics for decades.

Edmund Terence Gomez
Amid all the high hopes in the wake of the May 2018 elections, reformers targeted the peculiar role played by government-linked companies in Malaysia for change. Alas, little seems to have happened.
Euphoria Dashed: Malaysia’s Struggle With Political Transition

By Bridget Welsh

The results of the May 2018 elections in Malaysia landed with explosive effect. The ethnic Malay-dominated coalition that had led the country since independence in 1957 was thrown out of power in favor of Pakatan Harapan, an unwieldy coalition of diverse religious, ethnic and political views, led by former Prime Minister Mahathir Mohamad. Nearly a year on, the euphoria that swept the country has now faded, giving way to disappointment and acrimony as the new government struggles with demons that have haunted Malaysian politics for decades. Bridget Welsh looks at the dynamics behind this ongoing political transition, and the dangers it faces.

WHEN MALAYSIA’S opposition coalition took power after a shock election victory in May 2018 that ousted the Barisan Nasional coalition, in power since independence in 1957, “New Malaysia” was born. Now, two months short of a year later, it is clear there was no “reset” button, that the trajectories in place before the return to power of long-time former premier Mahathir Mohamad remain deeply embedded in the country’s social and political fabric. Public confidence in the new government has eroded, with a slowing economy, piecemeal political reforms and a worrying rise in ethnic tensions. Positive measures taken by the new government — and there are many, as outlined below — are being overshadowed by negative public perceptions. To date, the government has lost two by-elections (in Cameron Highlands and Semenyih) this year alone. The opposition, comprising members of the former government still led by United Malays National Organisation (UMNO) leader and former prime minister Najib Razak (despite an onslaught of outstanding legal charges against him) and the Islamist party PAS have been able to capture persistent voter resentments and channel them into a divisive racial and religious sectarian narrative. Anger and fear have replaced the euphoria and hope that followed the elections less than a year ago.

To understand this trajectory, it is necessary to look both within the Pakatan Harapan governing coalition and to transformative changes taking place in society in response to the more democratic and uncertain environment. In this new era of Mahathir, Malaysia is haunted by its past, contracting the space for substantive reform.

A DIFFERENT MALAYSIA: MODEST REFORMS

It is important to begin with the positive. Malaysia is not occupying the same political terrain it did before May 2018. There are important steps being taken to strengthen democratic governance, with perhaps the most important the expanded citizen empowerment in the aftermath of the 14th General Election, which Malaysians refer to as GE14. Since 2008, political participation has become increasingly important to Malaysians, with the competitiveness of GE14 reinforcing the view that participation does matter. In the election, 39 seats (17.6 percent) were won with less than a 5 percent majority and the government took a majority of 122 parliamentary seats out of a total of 222 (54.9 percent), but with post-election defections to the government the number is now 135. Malaysians have taken ownership of GE14, a development that has contributed to the challenges the new government faces in meeting public expectations.

Pakatan Harapan also has introduced various measures to strengthen institutions. The most significant of these are in parliament, where committees are being created that foster both inclusion and greater professionalism. The parliament as an institution is becoming a more important player in formulating laws, oversight and checks on executive power. Equally significant are ongoing changes in the Election Commission. After a tribunal removed the tainted commissioners of the previous government, new appointees of experts offer a meaningful opportunity for much needed electoral reform. Malaysia’s electoral integrity has been considered one of the worst in the region in terms of malapportionment, gerrymandering and professionalism. Even in the judiciary, steps are being taken to appoint respected legal experts in a more inclusive manner and there has been an announcement of a Royal Commission of Inquiry to assess grievances raised about alleged past judicial misconduct. An important step is a drive to separate the attorney general’s office from legal prosecutions. Even the prime minister’s office has been transformed, with changes in the reporting structure of agencies moved to parliament and a reduction in its budget and size.

These changes have taken place as Pakatan Harapan has worked to address the legacy of kleptocracy and malfeasance it inherited from the UMNO-led government. Corruption runs deep in Malaysia, reinforced by decades of institutionalized patronage, perceptions of entitlement among political elites, a close political-business nexus and, of late, unprecedented greed and impunity on the part of elites. The coalition has focused its attention on the international scandal surrounding the sovereign wealth fund 1Malaysia Development Berhad (1MDB), involving the alleged theft of US$4.5 billion, with charges filed against dozens of those perceived to be instigators and facilitators of the abuse of power. This includes Najib and his wife, Rosmah Mansor. Greater activism on the part of the Malaysian Anti-Corruption Commission (MACC) has extended to political elites within UMNO who have been charged with misappropriating funds involving foreign workers and land permits. Trials in these cases are pending. While there are many allegations outstanding against prominent politicians, the level of anti-corruption activism and interventions to strengthen accountability is unprecedented. It includes not only senior politicians but also government servants. This has served to reduce outright corruption within government departments, at least for now.

These changes have taken place as Pakatan Harapan has taken a stance of greater interaction with the public. Many ministers have opened
At the same time, Pakatan Harapan is the most government-controlled media adopting more group around reform, from elections to government — with gains in representation for women, youth, minorities and outlying (previously discriminated) regions, notably Sabah and Sarawak. The post-GE14 period has witnessed other important shifts from below. The more open political space has been filled by continued activism on the part of civil society, with groups recalibrating to create pressure for reform. A new civil society platform of more than 70 non-governmental organizations has formed a pressure for reform. There has been a staunch defense of the continued use of affirmative action and protection of the “special status” of the ethnic Malay majority as well as the large intrusive religious state apparatus that accounts for the deeply-entrenched conservative views of a majority of the Malay community. Rather than change the system of patronage, control of the state sector has led to displacement of previous cronies and the emergence of new ones. Many of the wealthy established elites and conglomerates have found safe landings, a regional pattern well honed in other political transitions in the Philippines and Indonesia, to name two. The security sector has largely escaped scrutiny, with concerns being raised about the white-washing of human trafficking violations, no meaningful structural changes in the police and limited interventions in the defense sector. Of these, the red lines over race and religion in Malaysian politics, but it contributes to alienation among parts of Pakatan Harapan’s political base that voted for a rejection of racialized politics.

UNDERSTANDING THE EUPHORIA CRASH

The Malaysian public’s focus on unfulfilled promises is a product of a number of factors — the coalition’s performance, conditions that Pakatan Harapan inherited and ongoing changes in society itself. The main explanation given for unmet expectations is “politicizing” within Pakatan Harapan. The coalition is comprised of five major political parties — Mahathir’s Bersatu (PPBM), Anwar Ibrahim’s PKR, the Chinese- dominant Democratic Action Party (DAP), the splinter progressive Islamist party Amanah, and the regional Sabah party Warisan. The political pact between Mahathir and Anwar, in which the former will eventually hand over power to Anwar, has come under strain. The infighting between the different coalition partners and even within individual political parties has preoccupied media headlines. Political jockeying has served to undercut the entire coalition. Different political camps and personalities are believed to be vested in a “numbers game,” trying to reach the number of seats needed to hold government without the other, leading to acceptance of former government representatives into Pakatan Harapan parties and alliance maneuvers with current opposition parties that have reinforced the view that the main thrust has been about elites holding power. The personal antagonisms of the past — divisions that go back to the reformasi era of 1998-1999 and Anwar’s arrest when Mahathir was in power the last time — continue to undermine trust and co-operation. Rather than clearly plan the leadership transition and reduce uncertainty, attention has focused on who will hold power and for how long. These power dynamics are further complicated by ideological and policy differences...
within the coalition itself. Pakatan Harapan is a broad umbrella that came together to oust Najib’s kleptocratic government. It was a coalition of convenience. To win power, it campaigned on a wide range of promises, many of which were unrealistic and had varied levels of support among the different coalition partners. Pakatan Harapan’s campaign manifesto, Buku Harapan (Blue Book), was a product of compromise, based on limited knowledge of governing and even less experience working together as a coalition. Pakatan Harapan has mistakenly used the document as a basis for governance, rather than trying to identify a realistic future-oriented program, another factor that has served to enhance underlying differences.

NEW DAY, OLD LEGACIES

Broadly, the differences encompass three areas: national identity, economic interventions and normative mindsets. The first arena is the most apparent, given the emergence of a post-GE14 racialized national narrative. Questions of race, religion and region sharply divide the coalition. Some partners want a return to an exclusionary Malay-focused affirmative action policy based on the “special status” of the Malay community, while others want greater ethnic equality and to redress perceptions of discrimination against the non-Malay community. Along the religious spectrum, some partners want a secular government, while others want greater religious orthodoxy and a mobilization around identity politics through the mobilization of convenience. As the realities of governing have set in, these internal differences have become obstacles to reform.

At the same time, Pakatan Harapan has found itself constrained by the contracts and deals made in the previous era, from padded construction projects to favored monopolies cornering the distribution of goods and services. The patronage network contributing to corruption and inequalities has not been dismantled. The coalition has thus been hit by anger from both sides — from those being displaced and from those that believe the government has proven unwilling or unable to displace more.

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OPPOSITION COUNTERATTACK

The new opposition comprised of the de facto Najib-led UMNO and Islamist party PAS have managed to tap into this anger. They have joined forces to propagate a narrative of race and religious displacement of the Malay community, who comprise the largest share of not only Malaysia’s population but the economically vulnerable bottom 40 percent that have been hardest hit by high prices and the slowing economy. The emotive mobilization around identity politics through the
use of fear and insecurity is not new, but it has taken on greater meaning with these parties out of power. Post-GE14, Pakatan Harapan’s attacks on the former premier have served to give him new political life. He has tapped into dissatisfaction with the ruling coalition’s performance. Facing jail time, Najib has shown a willingness to do anything to stave off prison, even if it means stoking racial tensions. The co-operation among the country’s largest Malay-membership parties has proved itself a formidable challenge electorally for Pakatan Harapan, although at this stage, given Malaysia’s multi-ethnic fabric, the opposition is unlikely to be able to form an alternative national government. The lack of meaningful non-Malay representation in the opposition has meant that a racial/religious political fault line is consolidating — a sharp contrast from the promised national cohesion of the May 2018 victory.

Perhaps the most surprising issue for Pakatan Harapan has been the negative response it has received from its own political base. Support for the coalition has plummeted. Mahathir’s approach to ratcheting down expectations has been to blame his own cabinet’s “inexperience,” not fully appreciating that this has been destructive. Rather than deal with poor performance and ethical concerns about his appointees, the response has been to look away. This has also eroded confidence.

The main issue, however, has less to do with actions than with the shifts that have taken place in Malaysian society. The sentiments that kicked Najib out of office remain, as do the critical politics that the opposition nurtured for decades. Many of the strongest Pakatan Harapan supporters are “critical citizens” who expect good governance and better performance. When they don’t get it, they speak up. Dissatisfaction has found a new target. The country’s more open political environment has enhanced the criticism, as discussion of “sensitive” issues on race and religion are now the norm. Unlike earlier governments, ministers are intensely monitored for the first time. Sensational reporting on the part of the media enhances the attacks. The “take down” politics of the past persists.

This is coupled with the fact that a large share of society has not adjusted to the greater political uncertainty of coalition politics. Many who voted for the Mahathir government expected the strongman era of the past. They want the long-honed feudal, hierarchical political structure, rather than a more equal, compromise government; they want fast, clear results rather than the messier process of democratic governance. These sentiments also underscore the growing dissatisfaction.

The fall in the euphoria surrounding Pakatan Harapan has not been easy. The Mahathir government is dealing with less favorable terrain for democratic governance and economic growth globally and regionally, as well as having to grapple with internal and historical problems. It is no wonder that the process has been fraught with challenges. The coalition’s success, however, will have less to do with the individuals involved and more to do with the future of democracy in Malaysia and in the region, because the failure to address these challenges will potentially exacerbate forces of anger and sectarianism that can undercut democracy further.

Bridget Welsh is Associate Professor of Political Science, John Cabot University, Rome.