# Malaysia 2016-2018: An uncertain and incomplete transformation

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The year 2018 saw a significant transformation in Malaysian domestic politics, with the Pakatan Harapan (PH) coalition winning Malaysia's 14th general election, and a first time loss for the former ruling coalition Barisan Nasional (BN - National front). Even though the incumbent prime minister, Najib Razak had recently been implicated in a serious corruption scandal involving state investment, it was none-theless a surprising and stunning victory.

Throughout the campaign, Najib attempted to strengthen his rule by leveraging the powers of the state. Not only did he introduce a draconian legal framework constraining the opposition and critics, but he mobilized the Election Commission to gerrymander electoral boundaries, thus creating more safe seats for the ruling BN coalition. Najib also brought about a growing polarization of society in an attempt to demonstrate that the United Malay National Organisation (UMNO) was the only party able to represent the interests and privileges of the Malay majority. These strategies, however, were not only insufficient to overcome the problems BN faced, but further undermined the legitimacy of the regime. They were perceived as being too authoritarian.

Though PH won convincingly in 2018, the role of prime minister-in-waiting Anwar Ibrahim, the mixed results in delivering its promises, and division within the coalition have led to much uncertainty. An increasing reliance on identity politics by UMNO has been leading to its revitalization, suggesting it still poses a significant threat to PH despite initial speculation that the loss of the election would lead to the party's destruction. However, the economy and foreign policy remained relatively stable.

#### 1. Introduction

On 9 May 2018, the Pakatan Harapan (Alliance of Hope – PH) coalition, against all odds, won Malaysia's  $14^{\rm th}$  general election, making Mahathir Mohamad prime minister once again after his previous 22-year tenure (1981-2003).¹ Due to the significance of this event, I will begin this article with an overview of the election results. I will then analyse domestic politics between 2016 and 2018, arguing that, despite an increasing polarization focused on Malay primacy and the co-option of legal and electoral institutions

1. Scott Edwards, 'Malaysia's first new government in six decades revels in a shocking victory', *The Conversation*, 10 May 2018.

by Barisan Nasional (National Front BN), the former ruling coalition lost all legitimacy due to its increased authoritarianism and serious corruption scandals. This loss of legitimacy provided the opportunity for a stronger opposition coalition, united under Mahathir, to position itself as the only option for much-needed change. Following this analysis of pre-election politics, I will analyse the extent of the transformation post-election, and argue that the promises of a «Malaysia Baharu» (New Malaysia) have failed to materialize as quickly as expected, in part as a result of BN's troubled legacy, but also problematic relationships between the constitutive political parties. Furthermore, the government has been facing a daunting opposition in the form of UMNO (United Malay National Organisation) and PAS (Malaysian Islamic Party), who have been leveraging identity politics to maintain support and direct criticism towards PH, providing further challenges to «Malaysia Baharu». Finally, I will provide an overview of changes in economic and foreign policy.

# 2. Domestic Policy

# 2.1. The 14th general election

The 14th general election was expected in late 2017, but was delayed until 9 May 2018 following the dissolution of parliament on 6 April with nominations not taking place until 28 April. This election came to be a watershed moment in Malaysia's political history due to the fact that BN, who had been in power for six decades, was defeated by PH. It lost its majority in parliament, gained its lowest popular vote share ever (33.8%), and retained only two of 12 state governments. Astonishingly, PH, comprised of Parti Keadilan Rakyat (People's Justice Party – PKR), Parti Primbumi Bersatu Malaysia (Malaysian United Indigenous Party – Bersatu), Democratic Action Party (DAP) and Parti Amanah Negara (National Trust Party – Amanah), along with their allies Parti Warisan Sabah (Sabah Heritage Party – Warisan), won the election and formed a government on 10 May with Mahathir returning as prime minister.

<sup>2. &#</sup>x27;GE14: It's on, Parliament will dissolve on Saturday', *The Star*, 6 April 2018. 'Malaysia's general election to take place on May 9: Election Commission', *Channel News Asia*, 10 April 2018.

<sup>3.</sup> John Funston, 'Malaysia's 14th General Election (GE14) – The Contest for the Malay Electorate', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.

<sup>4.</sup> James Chin & Bridget Welsh 'Introduction: The 2018 Malaysian General Elections: The Return of Mahathir and the Exit of UMNO', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.

<sup>5. &#</sup>x27;Malaysia GE: Malaysia's King invites Mahathir to form next government', *The Straits Times*, 10 May 2018.

Table 1 - The 14 <sup>th</sup> general election	
Party	Seats won
PH (PKR, DAP, Bersatu, Amanah)	113
Warisan (Allied to PH)	8
BN (UMNO, MCA, MIC, PBB, SUPP + others)	79
PAS	18
Solidariti	1
Independents	3
Source: 'Dashboard: Pilihan Raya Umum 14', Election Commission of Malaysia	

Throughout election night there were fears that such a transition might not be peaceful; military vehicles were (incorrectly) reported to be in Putrajaya.<sup>6</sup> Najib failed to appear in public, instead calling the UMNO leadership to his house.<sup>7</sup> Media platforms reporting the election results were often blocked,8 and the Electoral Commission delayed confirmation that PH had surpassed the 112 seats required for absolute majority in the 222-seat parliament. BN also delayed its press conference until the following morning, 10 leading to speculation that the party was attempting to persuade opposition partners in Sabah to leave PH.<sup>11</sup> It was later confirmed that BN tried to persuade PH members to defect by making Islamist and ethnic appeals. 12 As will be demonstrated in the following analysis, UMNO has long made appeals to ethnicity by arguing that it is the only party that can represent Malay interests in a country where politics has always been analysed and practiced in reference to the «race paradigm», with different parties perceived to represent the interests of different ethnicities.<sup>13</sup> It was not just BN trying to prevent Mahathir's return; the palace delayed

- 6. 'Don't be fooled by photographs showing army, tanks in Putrajaya, say police', New Straits Times, 9 May 2018.
- 7. 'Barisan Nasional leaders gather at PM Najib's home for «high-level meeting»: Reports', *The Straits Times*, 10 May 2018.
- 8. 'Study confirms Malaysiakini's GE14 results page blocked', *Malaysiakini*, 17 May 2018
- 9. 'Malaysia GE: Mahathir says BN delaying announcement of results, unlikely to form government', *The Straits Times*, 9 May 2018.
- 10. 'Malaysia GE: PM Najib fails to appear at Umno headquarters for press conference on election results', *The Straits Times*, 10 May 2018.
- 11. Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics', *Al Jazeera for Studies*, 10 June 2018.
- 12. 'Dr Mahathir exposes May 9 political maneuvering', *New Straits Times*, 20 November 2018.
- 13. Anthony Milner, Abdul Rahman Embong & Tham Siew Yean, *Transforming Malaysia: Dominant and Competing Paradigms*, Singapore: ISEAS, 2014

confirming Mahathir as prime minister.<sup>14</sup> There were rumours that Wan Azizah Wan Ismail, Anwar Ibrahim's wife and a senior PKR figure, was instead offered the premiership, which, according to professor Bridget Welsh, points to a resistance inside the system to acceptance of Mahathir's political mandate.<sup>15</sup> On his part, Dr Muhamad Nadzri Bin Mohamed Noor argues that the transition came about peacefully as a result of Inspector General of Police Fuzi Harun and Chief Secretary to the Government Ali Hamsa deciding to uphold the results, thus preventing any attempt to declare a state of emergency.<sup>16</sup>

The 92-year-old Mahathir was sworn in as prime minister, making him the world's oldest sitting elected leader. Prior to the election, the vast majority of political analysts were sceptical about regime change,<sup>17</sup> as confirmed by the polls.<sup>18</sup> On the night itself when the electoral result became known, Najib was reported to be in a state of total disbelief when the results of each constituency were announced.<sup>19</sup> Especially shocking were BN's losses in areas traditionally safe for the coalition. Johor is the birthplace of UMNO and is an area where it has always succeeded in the past, due to a strong rural Malay population that constitutes its traditional voters.<sup>20</sup> However, BN only retained 19 seats, while PH walked away with 36.<sup>21</sup> In Sarawak, previously considered a BN «vote bank»,<sup>22</sup> while it managed to hold a major-

- 14. 'Palace denies delaying Mahathir's appointment', *The Star*, 11 May 2018; Andrew Harding, 'Reforms in Electoral Management and Government Appointments Badly Needed in Malaysia', *The Roundtable*, Vol. 107, No. 6, 2018.
- 15. Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections', new mandala, 23 May 2018.
- 16. Muhamad Nadzri, 'The 14th General Election, the Fall of Barisan Nasional, and Political Development in Malaysia, 1957–2018', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.
- 17. Scott Edwards 'Malaysia's first new government in six decades revels in a shocking victory'; 'BN to romp home to GE14 victory, analysts predict', *The Sun Daily*, 7 May 2018; Francis E. Hutchinson, 'Malaysia's 14<sup>th</sup> General Election: Drivers and Agents of Change', *Asian Affairs*, Vol. XLIX, No. IV, 2018.
- 18. 'Malaysia General Elections XIV: Outlook, Prospects and Outcome III', *Merdeka Centre*, 2018; Ibrahim Suffian, 'Why Opinion Polls Failed to Predict the Fall of BN in Malaysia', *The Roundtable*, Vol. 107, No. 6, 2018; Kok Leong Chan, 'Forecasts in Malaysia's Poll Skewed by Islamist Party's Unpredictable Impact', *The Roundtable*, Vol. 107, No. 6, 2018.
- 19. 'Exclusive Malaysia's Anwar says «shattered» Najib called him twice on election night', *Reuters*, 17 May 2018.
- 20. 'Malay tsunami unlikely to happen; Johor to remain UMNO stronghold: Analysts', *Channel News Asia*, 4 May 2018.
  - 21. 'Dashboard: Pilihan Raya Umum 14', Election Commission of Malaysia, 2018.
- 22. Lee Hock Guan, 'All Signs Point to Sarawak being 'Fixed Deposit' for BN in GE14', ISEAS Perspectives, 31 March 2017; Bridget Welsh, 'All quiet on the Sarawak front', Malaysiakini, 27 April 2018; Lee Poh Onn, 'GE14: A Victory for Barisan Nasional in Sarawak', ISEAS Perspectives, 7 May 2018.

ity, it lost six seats to PKR and DAP. The opposition won 12 out of 31 seats.<sup>23</sup> These were not just the Chinese-majority constituencies expected to be won by PH due to ethnic-Chinese disillusion with BN's Malay First focus, but also six Dayak-majority seats - an ethnicity with constitutional privileges that UMNO has generally protected.<sup>24</sup> Sabah too was considered safe for BN, who had won 22 out of 25 seats in 2013;<sup>25</sup> in 2018, however, BN managed to retain only ten seats.<sup>26</sup> These seats were instead picked up by Warisan, PKR and DAP who won 14.<sup>27</sup> In addition PH maintained its dominance in Penang, Kuala Lumpur and Selangor, where urban and modern voters most focused on change once again chose PH.<sup>28</sup> This resulted in the party gaining 122 seats, the largest proportion of the popular vote (48%), and winning seven out of 12 state governments (Kedah, Penang, Selangor, Perak, Negeri Sembilan, Malacca and Johor) with an eighth state government won by Warisan (Sabah). BN was down from 133 seats in GE13 to just 79.

While the election result was bad for UMNO, it was even worse for other BN member parties. The Malaysian Chinese Association (MCA) president, Liow Tiong Lai, lost his seat, while his party retained only one seat.<sup>29</sup> The Malaysian Indian Congress (MIC) president, Subramaniam Sathasivam, also lost his seat, while his party retained just two seats.<sup>30</sup> In addition, all the key Chinese-based Sabah BN parties collapsed.<sup>31</sup> PAS managed to win 18 seats and two state governments, those of Terengganu and Kelantan. These are two states which are conservative in their religious outlook and have traditionally chosen PAS due to its policies of making Malaysia more Islamic.<sup>32</sup> This was not enough to allow it to act as «kingmaker» at the national level, as PAS had hoped to do before the election, because neither PAS nor BN had enough seats to form a majority.<sup>33</sup>

Following the election the cabinet was constituted by members of all parties within the PH coalition.<sup>34</sup> PKR President Wan Azizah Wan Ismail was

- 23. 'Dashboard: Pilihan Raya Umum 14', Election Commission of Malaysia.
- 24. Neilson Ilan Mersat, 'The Sarawak Dayaks' Shift in Malaysia's 2018 Election', *The Roundtable*, Vol. 107, No. 6, 2018; James Chin, 'Sabah and Sarawak in the 14th General Election 2018 (GE14): Local Factors and State Nationalism', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.
  - 95 Ibid
  - 26. 'Dashboard: Pilihan Raya Umum 14', Election Commission of Malaysia.
  - 27. Ibid.
  - 28. Ibid.
  - 29. 'Liow loses Bentong to Wong Tack', The Star, 10 May 2018.
  - 30. 'BN's big names toppled, one after another', The Straits Times, 10 May 2018.
- 31. James Chin, 'Sabah and Sarawak in the 14th General Election 2018 (GE14): Local Factors and State Nationalism', *Journal of Current Southeast Asian Affairs*, Vol. 37, No 3, 2018.
  - 32. 'Dashboard: Pilihan Raya Umum 14', Election Commission of Malaysia.
- 33. 'PAS says vying to become 'kingmaker' in Malaysia election', *The Straits Times*, 31 March 2018.
  - 34. 'Cabinet Members', Prime Minister's Office, 2018.

appointed deputy prime minister to Mahathir, as well as becoming minister of Women, Family and Community Development. PKR was given six cabinet positions, the most notable being that of minister of Foreign Affairs, which went to Saifuddin Abdullah, and that of minister of Economic Affairs, which went to Mohamed Azmin Ali. Bersatu gained six cabinet positions including that of minister of Home Affairs, for Muhyiddin Yassin, and that of minister of Youth and Sports, for Syed Saddiq Syed Abdul Rahman. DAP Secretary-general Lim Guan Eng was made minister of Finance, with DAP members being appointed to six cabinet positions, including that of minister of Transport (Anthony Loke Siew Fook). Amanah was given five positions including that of minister of Defence (Mohamad Sabu – known as Mat Sabu). PH allies Warisan and HINDRAF (Hindu Rights Action Force) were given four positions between them.

# 2.2. Domestic policy pre-election

## 2.2.1. The development of the opposition

One of Malaysia's watershed events was Mahathir leaving UMNO, and later joining PH. He left UMNO after his son Mukhriz was forced to resign as chief minister of Kedah on 3 February 2016.<sup>35</sup> This was seen as a reprisal for his criticism of Najib, who stood accused of embezzling money from the country's 1MDB investment fund into his personal bank accounts.<sup>36</sup> As a result of UMNO's continued support for Najib, Mahathir left the party on 29 February 2016.<sup>37</sup> While he did not initially join the opposition, he did begin to build connections with them. On 4 March 2016 he launched a 37-point Citizens Declaration which called for the resignation of Najib and wider institutional changes.<sup>38</sup> The launch event was attended by opposition leaders such as PKR Deputy President Azmin Ali and DAP senior leader Lim Kit Siang.<sup>39</sup> Anwar had served as Mahathir's deputy prime minister from 1993 to 1998, but was dismissed and arrested for sodomy – an accusation widely viewed as politically motivated. Not surprisingly, Wan Azizah declined

<sup>35. &#</sup>x27;Mukhriz Mahathir resigns as Kedah Menteri Besar; Ahmad Bashah to take over', *The Straits Times*, 3 February 2016.

<sup>36. &#</sup>x27;Mukhriz: I was removed for criticising Najib', Free Malaysia Today, 3 February 2016

<sup>37. &#</sup>x27;Dr Mahathir quits Umno, again', The Star, 29 February 2016.

<sup>38. &#</sup>x27;Malaysia's Mahathir and opposition sign declaration to oust Najib', *New Straits Times*, 4 March 2016.

<sup>39. &#</sup>x27;Kit Siang: Citizens' Declaration worth trying, win or lose', *Free Malaysia Today*, 7 March 2016; 'Bersih to organise town hall meets on Citizens' Declaration', *Malaysiakini*, 7 March 2016.

to attend due to her and Anwar's suspicion over Mahathir's intentions.<sup>40</sup> Despite this, the meeting represented a reconciliation between those allied to Mahathir and Anwar, and provided an opportunity for the opposition to regather itself around these largely respected figures.<sup>41</sup> It was important that the opposition did so because, prior to 2016, it became divided after the withdrawal of PAS and the reimprisonment of Anwar, following the 2013 general election. This limited the opposition ability to target rural Malay voters and left them without credible leadership.

Several secret meetings were held between Mahathir and the PH leadership, which concluded that a new political party was needed to strengthen the opposition. Two parliamentary by-elections in Kuala Kangsar and Sungai Besar on 18 June 2016 served as a warning of the necessity for the opposition to build tighter and more formalized relations among its different parts. In fact BN managed to comfortably win both seats, despite Mahathir helping the opposition. This was considered particularly embarrassing as the BN candidate in Kuala Kangsar was observing the Islamic teaching that forbids a widow from going outside the house for four months after the death of her husband.

Mahathir formed Bersatu on 10 August.<sup>46</sup> It was officially registered by former UMNO member and former Deputy Prime Minister Muhyiddin Yassin.<sup>47</sup> On 5 September 2016 Mahathir met Anwar for the first time in 18 years. Anwar recognized the need to include Bersatu in a united opposition if he were to win the Malay vote.<sup>48</sup> Bersatu announced its intention to join

- 40. Muhamad Nazri, 'The 14th General Election, the Fall of Barisan Nasional, and Political Development in Malaysia, 1957–2018'.
- 41. John Funston, 'Change and Elections: 1969 and 2013 Similarities', in James Gomez & Bridget Welsh (eds.), *Regime Resilience in Malaysia and Singapore*, Kuala Lumpur: SIRD, 2018.
- 42. Muhamad Nazri, 'The 14th General Election, the Fall of Barisan Nasional, and Political Development in Malaysia, 1957–2018'.
- 43. 'Malaysia's Sungai Besar, Kuala Kangsar by-elections: Voters go to the polls', *The Straits Times*, 18 June 2016.
- 44. 'Malaysia by-elections: BN retains seats in Sungai Besar, Kuala Kangsar', Channel News Asia, 18 June 2016.
  - 45. 'BN eyes sympathy votes for widow', The Straits Times, 11 June 2016.
- 46. 'Dr Mahathir's new political party to be known as PPBM', Channel News Asia, 9 September 2016.
- 47. 'Parti Pribumi Bersatu Malaysia officially registered', *The Sun Daily*, 9 September 2016; 'UMNO sacks former Malaysian DPM Muhyiddin Yassin and Mukhriz Mahathir', *Channel News Asia*, 24 June 2016; 'Najib sacks DPM, four ministers and A-G', *The Straits Times*, 29 July 2015; 'Sacked Malaysian DPM Muhyiddin backs Dr Mahathir's new party', *Channel News Asia*, 16 July 2016;
- 48. 'I should not have acted against Anwar: Tun Mahathir', *The Sun Daily*, 14 March 2018; Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics'; 'Mahathir, Anwar meet for first time in 18 years', *The Straits Times*, 6 September 2016; Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics'

the PH coalition in November.<sup>49</sup> It formed an electoral pact in December,<sup>50</sup> and formally joined PH 14 March 2017.<sup>51</sup>

Bersatu came to be a credible alternative to UMNO for Malay voters, due to the party ideology of prioritizing Malay interests.<sup>52</sup> As mentioned, the 'race paradigm' dominates Malaysian politics due to tensions between the different ethnicities in Malaysia (Malay, Chinese, and Indian) and UMNO had gained legitimacy over the 60 years by presenting itself as the true defender of Malay primacy.<sup>53</sup> UMNO had long argued that Malays would lose their privileges if it ever lost power, and continued to suggest that a government which included the Chinese-dominated DAP would be hostile towards them.<sup>54</sup> Survey evidence suggests that such concerns resonated strongly with rural Malays, for whom communal interests remain a high priority.<sup>55</sup> In the past PAS had been a member of the opposition coalition, and could claim to speak for the Malay electorate due to their strong Islamic focus. Since PAS left, however, PH has not been able to convincingly claim that it represents semi-urban and rural Malay interests. Amanah, which split from PAS, has been unable to secure votes from this group. However, Bersatu, led by former UMNO members who had in the past attacked the progressive agenda of PH, could legitimately claim to represent Malay concerns<sup>56</sup>, making it an essential addition to the PH coalition.<sup>57</sup> The view that Muhyiddin would be an important factor in seizing Johor,<sup>58</sup> and Mukhriz would be crucial to PH's efforts in Kedah, was indeed validated.<sup>59</sup> The coalition

- 49. 'Dr M: Pribumi will join Pakatan', The Star, 13 November 2016.
- 50. 'Harapan and Bersatu formalise electoral pact', *Malaysiakini*, 13 December 2016.
  - 51. 'PPBM officially part of Pakatan Harapan', Malay Mail, 20 March 2017.
- 52. Saleena Saleeni, 'Malaysia's New Opposition Party Bersatu: Balancing Potential with Public Image', RSIS Commentary, 2017.
- 53. Michael Barr & Anantha Raman Govindasamy, 'The Islamisation of Malaysia: religious nationalism in the service of ethnonationalism', *Australian Journal of International Affairs*, Vol. 64, Issue 3, 2010.
- 54. 'Umno-PAS attacks fuel anti-DAP sentiments among Malays, study finds', *The Edge Markets*, 7 January 2016.
- 55. 'Malaysian Voter Values Survey 2010 Political Typology', Merdeka Centre, 2010.
- 56. Kai Ostwald, Paul Schuler & Chong Jie Ming, 'Triple Duel: The Impact of Coalition Fragmentation and Three-Corner Fights on the 2018 Malaysian Election', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.
- 57. Bridget Welsh, '«Saviour» Politics and Malaysia's 2018 Electoral Democratic Breakthrough: Rethinking Explanatory Narratives and Implications', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.
- 58. 'Muhyiddin banks on 40-year ties to win Johor town for opposition', *The Straits Times*, 21 April 2018.
- 59. Mohd Azizuddin Mohd Sani, 'Will Kedah remain a BN stronghold?', MyS-inChew, 26 February 2018.

implemented a strategy to win over the «Malay heartlands», to cause a «Malay tsunami».<sup>60</sup>

While these dynamics were essential in the peninsula, also of importance was PH's ability to spread its appeal into Sabah. In 2016 it was agreed that Warisan, led by Shafie Apdal, would be approached by PH<sup>61</sup> and cooperation was formally agreed in 2018.<sup>62</sup> Shafie had been a senior figure in UMNO before he too was dismissed from the federal cabinet in the split that emerged over 1MDB.<sup>63</sup> Shafie became party leader in September<sup>64</sup> and Warisan quickly gained popularity as it emphasized Sabah nationalism.<sup>65</sup> One of its key demands was the return of 40% of Sabah's taxes collected by the federal government.<sup>66</sup> By allying with Warisan, PH became more representative in the Eastern state.<sup>67</sup>

It is also my contention that Bersatu's inclusion contributed to much needed leadership in PH. While Anwar was still in prison, Mahathir - with his 22 years of experience and continuing popularity among many Malaysians - was seen as a credible leader. 68 Indeed, as Professor Welsh highlights, Mahathir's goals were labelled as a «Saving Malaysia» initiative. 69 This was formalized in July 2017, when PH announced its leadership line-up – Mahathir becoming chairman, Anwar supreme leader, and Wan Azizah president. 70 Mahathir was named prime minister-designate in January 2018 with an agreement that Anwar would be his eventual successor. 71 Mahathir's experience was

- 60. Joceline Tan , 'Malay tsunami fact or psywar?', *The Star*, 27 August 2017; Chin Tong Liew, 'How I Could See the Malay Tsunami Incoming', *The Roundtable*, Vol. 107, No. 6, 2018.
- 61. 'DAP vows to stay in Sabah, willing to talk', Free Malaysia Today, 23 December 2016.
- 62. 'Warisan and Pakatan Harapan team up in Sabah for Malaysia elections', *The Straits Times*, 2 April 2018.
  - 63. 'Shafie Apdal axed in Cabinet shakeup', Malaymail, 28 July 2015.
- 64. 'Parti Warisan Sabah is new name of Shafie-led Sabah-based party', *The Borneo Post*, 18 October 2016.
- 65. 'Warisan rides on «Sabahans for Sabah' concept», *Malaysiakini*, 24 October 2017; Farish A. Noor, 'A New Player in Sabah Politics', *RSIS Commentary*, 19 October 2016.
- 66. 'Warisan to pursue 40% state revenue that it is entitled to',  $\textit{The Star},\,25$  July 2018
- 67. Muhamad Nazri, 'The 14th General Election, the Fall of Barisan Nasional, and Political Development in Malaysia, 1957–2018'.
- 68. Bridget Welsh, '«Saviour» Politics and Malaysia's 2018 Electoral Democratic Breakthrough: Rethinking Explanatory Narratives and Implications'; Sophie Lemière, 'The Downfall of Malaysia's Ruling Party', Vol. 29, Issue 4, October 2018, pp. 114-128.
  - 69. Ibid.
- 70. 'Pakatan Harapan announces leadership line-up; Anwar is de facto leader, Dr M chairman', *New Straits Times*, 14 July 2017.
- 71. 'Dr Mahathir unanimously chosen as Pakatan Harapan PM candidate', *The Star*, 7 January 2018.

highlighted throughout the campaign, as well as his sacrifice in returning to politics at an elderly age in order to save Malaysia from Najib.<sup>72</sup>

This is not to say there were not divisions between coalition members, but a coherent message emerged. PH focused on reforming governance along the lines of reformasi (reform), overthrowing Najib, abolishing the Goods and Service Tax (GST) and focusing on the cost of living and the prevention of corruption.73 Indeed, delaying the election throughout 2017 into 2018 gave PH the opportunity to present its message to the population. There were nationwide road tours and *ceramahs* (public talks) held by the top leaders and its manifesto, the «Book of Hope», incorporated these messages into a policy plan.<sup>74</sup> It included limiting the number of portfolios politicians could hold – especially the prime minister, who would also be bound by a two-term limit – as well as reducing the size of the prime minister's department; giving parliament and institutions such as the Malaysian Anti-Corruption Commission (MACC) a greater role; abolishing oppressive legal instruments and making the judiciary more accountable; making elections more transparent; and building an inclusive and moderate nation.<sup>75</sup> While the economy will be discussed later, it is important to note that PH's focus on the rising cost of living resonated with a large number of voters, as well as, particularly, its emphasis on the GST and UMNO's self-enrichment. Opposition to corruption and governance reform, therefore, attracted wide support throughout the later stages of the run up to the general election, and there was an opportunity for the opposition to go on the offensive in order to secure votes based on programmatic appeals.<sup>76</sup>

The opposition was also helped by the fact that it was aligned with NGOs such as Bersih, which gave PH credibility while emphasising the shortcomings of BN's governance.<sup>77</sup> Particularly important was the Bersih 5 rally held following the US Department of Justice's announcement of action against 1MDB in 2016.<sup>78</sup> It began with a nationwide «convoy» from

- 72. Bridget Welsh, '«Saviour» Politics and Malaysia's 2018 Electoral Democratic Breakthrough: Rethinking Explanatory Narratives and Implications'; Sophie Lemière, 'The Downfall of Malaysia's Ruling Party'.
- 73. 'What mattered in GE14: campaigns, Islam, 1MDB, cost of living', new mandala, 10 May 2018.
- 74. John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'; Tommy Koh, 'Promises of the «book of hope»: influences on the new Malaysian government', *Asia Pacific Bulletin*, No. 443, 2018.
- 75. 'The people's manifesto: the people's pact, the people's hope', *Pakatan Harapan*, 2018
- <sup>1</sup>76. Chan Tsu Chong, 'Democratic Breakthrough in Malaysia Political Opportunities and the Role of Bersih', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018.
  - 77. Ibid.
- 78. Khoo Ying Hooi, 'Malaysia's Bersih 5 rally: protesters weigh the cost of action under a repressive regime', *The Conversation*, 18 November 2016.

October onwards, and culminated in a mass rally of 120,000 participants on 19 November 2016. <sup>79</sup> Of significance was a visibly increased participation by Malay youths, as Bersih had been seen as Chinese dominated in the past. <sup>80</sup> Bersih 5 highlighted the need for free and fair elections, a clean government, and called for the resignation of Najib. <sup>81</sup> PH worked closely with Bersih to mobilize and organize logistics for the rally, which Mahathir attended, and again in 2018 they worked together to increase electoral transparency. <sup>82</sup> This gave PH the opportunity to spread its message to those voters sceptical of its commitment to reform, providing credibility despite Mahathir's previous lack of commitment to democracy. <sup>83</sup>

# 2.2.2. Najib's unpopularity and the proliferation of scandals

BN seemed relatively strong in 2016, when, as noted, it comfortably won two by-elections. Another tangible indicator of BN's continuing strength was its victory in the May 2016 Sarawak state election. Under Adenan Satem, Sarawak BN won 72 out of 82 seats in the assembly. Alba This included all the majority Muslim constituencies and almost all of the Dayak majority constituencies. Adenan focused on nationalism, with emphasis on regaining rights that had been agreed upon under MA63.

- 79. 'PRESS STATEMENT (20 NOVEMBER 2016): After BERSIH 5 rally, the fight for free and fair elections and institutional reforms continues', *Bersih 2.0*, 20 November 2016.
- 80. Hew Wai Weng & Maszlee Malik, 'Bersih 5 and the Growing Discontent among the Malays', *ISEAS Perspective*, 15 December 2016.
  - 81. 'Bersih 5', Global Bersih, 2016.
- 82. Chan Tsu Chong, 'Democratic Breakthrough in Malaysia Political Opportunities and the Role of Bersih'; 'Mahathir shows up for Bersih 5, gives thumbs up', *Malaysiakini*, 19 November 2016.
- 83. Khoo Gaik Cheng, 'Bersih & Civic Empowerment in Malaysia', in James Gomez and Bridget Welsh (eds.) *Regime Resilience in Malaysia and Singapore*, Kuala Lumpur: SIRD, 2018.
- 84. Rashaad Ali, 'Malaysian By-Elections: Najib's Winning Ways', RSIS Commentary, 30 June 2016.
- 85. Lee Hock Guan, 'Impressive Results Await BN in Sarawak State Elections', *ISEAS Perspectives*, 3 May 2016; Faisal S. Hazis, 'Adenan Will Win Big in Sarawak State Election, but Long-Term Effects on Malaysian Politics are Unclear', *ISEAS Perspectives*, 4 May 2016.
  - 86. '11th Sarawak Election: Full official results', New Straits Times, 7 May 2016.
- 87. James Chin, 'Sabah and Sarawak in the 14th General Election 2018 (GE14): Local Factors and State Nationalism'.
  - 88. Lee Hock Guan, 'Impressive Results Await BN in Sarawak State Elections'.
- 89. MA63 is the Malaysia Agreement of 1963, which set out the terms for Sabah, Sarawak, and Singapore's merger with Malaya to form Malaysia. It guarantees Sabah and Sarawak certain privileges, such as autonomy in areas like education and management of state resources. These privileges, however, have been eroded since 1963; Yu Ji, 'Sarawak nationalism to dominate', *The Star*, 9 March 2016.

Despite this outward sign of strength, however, Najib's popularity was declining. 90 The well-documented 1MDB financial scandal 91 was not expected to have much impact among rural Malay voters, being seen by UMNO officials as too complex.<sup>92</sup> However, the issue escalated throughout the pre-election period, especially after Switzerland, Singapore, and the US Department of Justice (DoJ) began investigations into 1MDB.93 Corruption is hardly a new feature of Malaysian society or politics; 94 scandals have mired most prime ministers. Scandals during Najib's tenure though led to a perception of party individuals enriching themselves on a greater scale than ever before, especially at a time of growing inequality. 95 1MDB was just one of a number of scandals. The lack of government accountability led to electoral backlash, facilitated by the fact there was a viable opposition. Much of the hostility was directed at Najib and his wife Rosmah Mansor, who was spending excessive amounts on luxuries. 96 Other UMNO members were unable to distance themselves from the scandal, though some did try. 97 Any suggestion that it was a problem for Najib only was met with scepticism, especially as UMNO did not publicly voice any criticism. 98

# 2.2.3. BN's (failed) strategies of winning support and maintaining control

BN pursued two strategies in order to win the election – increasing ethnic appeals and an authoritarian tightening of law enforcement. I argue, however, that these strategies were inadequate for deflecting attention from the scandals, as it became clear that UMNO was pursuing them at the expense of programmatic reforms and greater inclusion, which much of the population desired.

Appeals to ethnicity had long been a pillar of legitimacy for BN, but polarization grew during this period. Of note were the events held by the 'Red Shirts', led by Sungai Besar UMNO Division Chief Jamal Yunos. They

- 90. 'BN's night of despair and delusion', The Malaysian Insider, 28 May 2018.
- 91. Kay Tat Ho, '1MDB: Breaking News that Broke a 61-Year-Old Government', *The Roundtable*, Vol. 107, No. 6, 2018.
- 92. The Yik Koon, From BMF to 1MDB: A Criminological and Sociological Discussion, Kuala Lumpur: SIRD, 2018.
- 93. Tom Wright & Bradley Hope, Billion Dollar Whale: The Man Who Fooled Wall Street, Hollywood and the World, New York: Hachette Books, 2018.
  - 94. 'Corruption Perceptions Index', Transparency International, 2017.
- 95. 'Report: Najib spent US\$ 15m on holidays, shopping and jewellery', *Malaysiakini*, 31 March, 2016.
- 96. 'Malaysians celebrate the downfall of Rosmah Mansor, the big-spending, reviled wife of ousted PM Najib Razak', *South China Morning Post*, 19 May 2018; Sophie Lemière, 'The Downfall of Malaysia's Ruling Party'.
- 97. Kean Wong, 'Notes from the campaign: election day's dues', *new mandala*, 10 May 2018.
- 98. James Chin, 'Sabah and Sarawak in the 14th General Election 2018 (GE14): Local Factors and State Nationalism'.

held various publicity stunts and protests throughout 2016 and 2017.<sup>99</sup> Their overall expressed aim was to defend Malay and Islamic rights, but their rhetoric was often the 'epitome of racism' and grounded in veiled threats that its followers may lose control and resort to violence.<sup>100</sup>

UMNO also began to more vocally express its desire for Malay Muslim dominance (Ketuanan Melayu), 101 and increasingly pandered to Malay Islamic NGOs like Ikatan Muslimim Malaysia (Malaysian Muslim Solidarity – ISMA), Pekida, and Perkasa. 102 This increasing polarization corresponds with growing concerns of an 'Arabization' of Malaysian Islam, with its emphasis on a more exclusivist viewpoint. 103 UMNO began strengthening Islamic religious agencies, 104 and aligned more closely with the Malay rulers and Islamic bureaucracies. 105 At the 2016 UMNO assembly Najib emphasized that the Malay electorate would face dire threats to its special position and to Islam if the PH were to take power, even though Bersatu also claimed to represent the status of the Malays. 106 Mahathir was accused of being manipulated by DAP, which would then lead him to sell out the Malay race and remove their privileges. 107 The mufti of Pahang even went as far as to state that Muslim supporters of DAP were *kafir harbi* (infidels against whom war can be waged) due to its opposition to hudud (namely those punishments that, under Islamic law, are commanded by God). 108 This was designed to create a siege mentality among Muslim Malays. 109

This reliance on ethnic and religious identity as a pillar of legitimacy also explained growing linkages between UMNO and PAS, a strategy used

- 99. 'Silat guru condemns red-shirts martial arts display', *Malaysiakini*, 9 November 2016. 'Jamal smashes bottles of beer outside S'gor secretariat building', *The Star*, 6 October 2017.
- 100. Zan Azlee, 'Malaysia's «Red Shirts» were born of ignorance', Asian Correspondent, 21 November 2016.
- 101. John Funston, 'UMNO From Hidup Melayu to Ketuanan Melayu', in Bridget Welsh (ed.), *The End of UMNO*?, Kuala Lumpur: SIRD, 2016.
- 102. Clive Kessler, 'UMNO: Then, Now and Always?', in Bridget Welsh (ed.), *The End of UMNO*?, Kuala Lumpur: SIRD, 2016.
- 103. Norshahril Saat, 'Exclusivist Attitudes in Malaysian Islam Have Multifarious Roots', ISEAS Perspectives, 5 July 2016; Asmiati Malik & Scott Edwards, 'Saudi Arabia's influence in Southeast Asia too embedded to be disrupted?', The Conversation, 9 November 2018.
- 104. Bridget Welsh, 'Change without Change: Malaysia after GE13', in James Gomez & Bridget Welsh (eds.), *Regime Resilience in Malaysia and Singapore*, Kuala Lumpur: SIRD, 2018.
  - 105. John Funston, 'UMNO From Hidup Melayu to Ketuanan Melayu'.
- 106. 'Najib burnishes PM credentials, warns against rule by Chinese-dominated opposition at Umno assembly', *The Straits Times*, 1 December 2016.
  - 107. 'DAP plan to manipulate Dr M revealed: PM', New Straits Times, 2 May 2018.
- 108. Maszlee Malik, '«Kafir Harbi» in Malaysia: Another Path to Polarization', ISEAS Perspective, 12 January 2017.
- 109. Maszlee Malik, 'Turning Malaysia off Inter-Faith Strife', *ISEAS Perspectives*, 3 November 2016.

to give UMNO the upper hand in rural constituencies. <sup>110</sup> This was not only demonstrated by Najib's sympathetic consideration of PAS' plans to introduce *hudud*, <sup>111</sup> but, in 2016, by his decision to preside over a 10,000-strong rally in support of Burmese Muslim Rohingya refugees alongside PAS leader Abdul Hadi bin Awang. <sup>112</sup> In return PAS publicly claimed that it no longer intended to remove BN at the federal level. <sup>113</sup> Hadi expressed a desire to see PAS govern the states of Kedah, Kelantan, Perak, Selangor, and Terengganu, while leaving the rest for UMNO. <sup>114</sup> While PAS continued to contest the election independently, BN assumed that any three-way contest would split the anti-incumbent vote and assist in BN's victory. <sup>115</sup> This was demonstrated by the BN funding of PAS. The Sarawak Report alleged that top PAS leaders had received millions in cash from UMNO, <sup>116</sup> and PAS youth leader Nik Abduh discussed how UMNO money helped PAS achieve victory. <sup>117</sup> Cooperation also extended to informal coordination in some PAS strongholds and policy concessions. <sup>118</sup>

By focusing on Malay dominance BN did not invest as much effort on programmatic appeals. Najib and other UMNO officials such as Annuar Musa and Ahmad Zahid Hamidi said that there was no anti-UMNO Malay tsunami during the election, instead pointing to the fact they still had strong Malay support of between 46-60%. A survey by the Merdeka Centre put Malay support for the PH and Warisan at only 25-30%, while PAS was said to have received 30–33% and UMNO 35–40%. While this was significant, it still represented a decline of Malay support in favour of PH. Land This demonstrates that PH's emphasis of a needs-based approach, rather than a race-based one, was an important factor and that UMNO's alternative strategy was unsuccessful. As argued by Hew Wei Weng of Universiti Kebangsaan Malaysia, polarizing tactics were not enough as PH could also

- 110. James Chin & Bridget Welsh, 'Introduction: The 2018 Malaysian General Elections: The Return of Mahathir and the Exit of UMNO'.
- 111. John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'.
  - 112. John Funston, 'UMNO From Hidup Melayu to Ketuanan Melayu'.
- 113. Kai Ostwald, Paul Schuler & Chong Jie Ming, 'Triple Duel: The Impact of Coalition Fragmentation and Three-Corner Fights on the 2018 Malaysian Election'.
  - 114. Ibid.
  - 115. Ibid.
- 116. 'As Najib Denies All Over 1MDB, Let's Not Forget His Many Other Criminal Connections', *Sarawak Report*, 6 August 2016.
- 117. '«Everyone Took UMNO's Money!» PAS Youth Chief's Alleged Admissions', Sarawak Report, 3 April 2018.
- 118. Kai Ostwald, Paul Schuler & Chong Jie Ming, 'Triple Duel: The Impact of Coalition Fragmentation and Three-Corner Fights on the 2018 Malaysian Election'.
- 119. John Funston, 'Malay dominance remains despite UMNO's rout', new mandala, 25 October 2018.
  - 120. Ibid.
  - 121. Ibid.

compete for the votes of pious urban Muslims by mobilizing discourses on political Islam. <sup>122</sup> He used the example of Bangi constituency (in Selangor) where Amanah organized a dialogue featuring Ustaz Nik Omar, the eldest son of the late PAS spiritual leader Nik Aziz. Omar argued that his father had been in favour of dakwah, namely «an "Islamic outreach" towards the broader Muslim community and non-Muslims as well». Accordingly, taking a stand for inclusiveness, Nik Omar emphasised «the need to engage with broader societies while upholding an Islamic agenda» and stated that, «compared to "inward-looking" PAS, PH a better platform for dakwah». <sup>123</sup> In this situation, polarizing discourses not only served to alienate still relevant non-Muslim sectors of society, but were also not persuasive enough to capture the majority of the Malay vote, especially as Najib's declining popularity led to questions about whether he really represented them. <sup>124</sup> Instead, Malay nationalists had a viable alternative in Bersatu, and Islamists could select Amanah and PKR.

BN's second strategy, namely the tightening of legal enforcement, also failed, as it was not strong enough to cripple the opposition. I argue instead that this strategy undermined BN legitimacy as the new laws became too draconian, upsetting the balance between authoritarian control and democratic legitimacy.<sup>125</sup>

In early June 2016 Najib introduced the National Security Council Act, <sup>126</sup> which allowed him to implement emergency powers at any designated security site. <sup>127</sup> Just one month before the election he introduced the Anti-Fake News Bill. <sup>128</sup> It was perceived by the opposition and civil society to be a tool to restrict criticism of the government, especially in relation to 1MDB. <sup>129</sup> The bill covered social media such as Facebook and WhatsApp – two of the most popular forms of information in Malaysia. <sup>130</sup> In addi-

- 122. Hew Wai Weng, 'The struggle for political Islam in «new Malaysia»', new mandala, 25 June 2018.
- 123. *Ibid.* See also Hew Wai Weng, 'Will Malaysia's New Islamist Party Reshape the Political Landscape?', *ISEAS Perspectives*, 26 September 2016.
- 124. John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'.
- 125. Amanda Whiting, 'Rebooting the Emergency: Najib's Law «Reform» and the Normalisation of Crisis', in Sophie Lemière (ed.), *Illusions of Democracy*, Kuala Lumpur: SIRD, 2017.
  - 126. 'National Security Council Act', SUARUM, 2016.
- 127. Federal Gazette, Laws of Malaysia: Act 776 National Security Council Act 2016
- 128. Mohd Azizuddin Mohd Sani, 'Alarm bells sound as Malaysia passes anti-fake news bill', East Asia Forum, 17 April 2018.
- 129. Gulizar Haciyakupoglu, The «Fake News» Label And Politicisation Of Malaysia's Elections', *Defence Strategic Communications*, Vol. 5, 2018.
- 130. Ross Tapsell, 'New Media, Old Rule in Malaysia', in James Gomez and Bridget Welsh (eds.) *Regime Resilience in Malaysia and Singapore*, Kuala Lumpur: SIRD, 2018.

tion to its alleged role in side-lining criticisms concerning 1MDB, the Anti-Fake News Act granted BN greater control over information. <sup>131</sup> The law was used against Mahathir and PKR Vice-President Rafizi Ramli days before the election; Mahathir was being investigated for claims that his plane had been sabotaged, <sup>132</sup> and Ramli for claiming that an opposition candidate was unable to file his nomination papers. <sup>133</sup> The law failed to silence the opposition, and instead energized it. Muhyiddin accused BN of leveraging the «fake news» label «as an excuse». <sup>134</sup>

This message quickly emerged as a promising campaign discourse for PH, which argued BN was curtailing freedom of speech and dissent. Mahathir claimed that the Act was part of the ruling coalition's «political agenda» and called on BN not to «use this law to cover up the truth». <sup>135</sup> The opposition's promise to repeal the Anti-Fake News Act was popular, and presented a more tolerant coalition.

Older laws were also used throughout this period to create an atmosphere of BN control, but were decried as desperate measures by the opposition. In response to Bersih 5 the Peaceful Assembly Act was used to punish the Bersih leaders. <sup>136</sup> The Special Measures Act (SOSMA) was also used to arrest and detain Bersih 2.0 Chairperson Maria Chin, <sup>137</sup> who later became an independent MP supporting PH. <sup>138</sup>

It was not just politicians and opposition activists who were targeted under BN's tightening grip. Cartoonist Zulkiflee Anwar Haque (Zunar) was arrested for sedition, but actually for his political cartoons lampooning the prime minister. <sup>139</sup>The same happened to artist Fahmi Reza for her portrait of Najib as a clown. <sup>140</sup> Each of these events drew a great deal of criticism and gave rise to the belief that BN was becoming too authoritarian.

- 131. Gulizar Haciyakupoglu, The «Fake News» Label And Politicisation Of Malaysia's Elections'.
- 132. 'Malaysia opposition leader investigated under fake news laws', *The Guardian*, 3 May 2018.
  - 133
- 134. Gulizar Haciyakupoglu, The «Fake News» Label And Politicisation Of Malaysia's Elections'.
- 135. 'Don't use fake news law to cover up truth, says Dr M', Free Malaysia Today, 6 February 2018.
- 136. Amanda Whiting, 'Rebooting the Emergency: Najib's Law «Reform» and the Normalisation of Crisis'.
- 137. 'Maria Chin's detention under Sosma is in accordance with the law, says AG', Malay Mail, 25 November 2016.
- 138. 'Maria Chin Abdullah to quit Bersih, run in GE14 under Pakatan', *The Star*, 4 May 2018.
- 139. 'Malaysian cartoonist arrested for criticism of prime minister Najib Razak', *The Guardian*, 27 November 2016.
- 140. 'Fahmi Reza jailed one month, fined RM30,000 over offensive caricature of PM', *The Star*, 20 February 2018.

This was also true in relation to BN's manipulation of governmental institutions. Posts that were meant to be independent were filled with political appointees. In January 2016 attorney general Mohamed Apandi Ali, who had been an active UMNO member, confirmed that money in Najib's personal accounts, believed to have come from 1MDB, was from a Saudi donor. 141 Another notable example of the BN's manipulation of governmental institutions was the fact that the Electoral Commission, working under the auspices of the prime minister's office, completed a re-delineation exercise of the electoral constituencies. The re-delineation, which was done with the evident goal of favouring the electoral prospects of BN, was passed in parliament just five weeks before the election. 142 While publicly the opposition and civil society were vocal in their criticism of the BN coalition's gerrymandering of electoral boundaries in order to create more safe seats, they were unable to initiate any sort of formal debate. 143 There was opposition from state governments to the constitutional validity of re-delineation, resulting in stay orders which temporarily prevented the EC from re-delineating boundaries in some states. However, the appeals from the EC against the stay orders were fast-tracked in court, and the state governments were ruled against. 144 The EC also allowed for irregularities in the electoral roll and ignored any protests. 145 For example, in 2018 it refused to gazette over 100,000 enrolments, and allowed the transfer of military voters into three army camps that did not yet exist. 146 Due to registering difficulties in 2013, by 2018 there were 3.6 million eligible citizens not yet registered to vote. 147

The Electoral Commission went out of its way in its attempts to assist BN in the election. 148 It chose a weekday for the day of the vote, incon-

- 141. 'Malaysia's Attorney-General clears Najib of corruption over cash gift from Saudi royals', *The Straits Times*, 27 January 2018.
  - 142. 'EC's redelineation report now available online', *The Star*, 31 March 2018.
- 143. 'Redelineation: Voters led by Maria Chin accuse EC of fraud', *Free Malaysia Today*, 26 March 2018; John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'.
- 144. '10,000 Selangor voters fail court challenge against EC redelineation report', *Malay Mail*, 20 April 2018; Ambiga Sreenevasan & Wei Jiet Lim, 'Selangor Upset Najib's Redelineation Game', *The Roundtable*, Vol. 107, No. 6, 2018.
- 145. Chan Tsu Chong, 'Democratic Breakthrough in Malaysia Political Opportunities and the Role of Bersih', *Journal of Current Southeast Asian Affairs*, Vol. 37, Issue 3, 2018; Hong-Yee Seah, 'A Long Menu of Electoral Roll Fraud in Malaysia', *The Roundtable*, Vol. 107, No. 6, 2018.
- 146. John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'.
- 147. 'EC: 3.6 million yet to register as voters', *Free Malaysia Today*, 17 January
- 148. Wee Tak Lee, 'Making Sure Votes Count: Polling and Counting Agents in Malaysia', *The Roundtable*, Vol. 107, No. 6, 2018.

veniencing an estimated 1.7-3.5 million voters;<sup>149</sup> voters are required to vote in their constituencies, which can be far from their workplace. The nominations were only confirmed on 28 April, which meant many overseas Malaysians could not return their postal ballots in time.<sup>150</sup> Actions by the EC directed against PH were excessively vindictive and unfair, and, as pointed out by Professor Welsh, this resulted in disgust and outrage.<sup>151</sup> These issues were continuously highlighted by both the opposition and civil society organisations such as Bersih, which served as an unofficial election monitor.<sup>152</sup> According to Bersih activist Chan Tsu Chong, this monitoring helped counter the vote-buying culture and misuse of government resources by shaming the offenders.<sup>153</sup> Considering that reforms were unlikely to take place, Bersih pushed the narrative that the only way to defeat electoral fraud was by voters coming out in overwhelming numbers, to oust the incumbent party.

Domestic policies employed to strengthen BN power were practices involving patronage and distribution of financial incentives. Najib announced the increment of the 1Malaysia People's Aid (BR1M) funds before the election. <sup>154</sup> He also announced an additional one-year annual increment in the salaries of public servants, <sup>155</sup> and gave cash cards worth RM 53.6 million (US\$ 13 million) of public funds to taxi drivers. <sup>156</sup> This allowed for «money politics» to proliferate; UMNO engaged in pay-outs through money raised by resource rents, party holding companies, as well as that laundered from 1MDB. <sup>157</sup> It also spent more during the election itself, especially distributing gifts and food at political rallies. There were 517 accusations of vote-buying, abuse of government machinery, kickbacks, and biased institutions. <sup>158</sup>

While the domestic media was increasingly co-opted by BN in an attempt to silence any critical voice, this did not prevent a proliferation of news concerning the scandals in which BN was involved. Much of the

- 149. Francis Hutchinson, 'MALAYSIA'S 14TH GENERAL ELECTIONS: DRIVERS AND AGEN'TS OF CHANGE', *Asian Affairs*, Vol. 49, Issue 4, 2018.
- 150. 'Malaysia election: Malaysians abroad fret over whether their postal votes can reach on time', *The Straits Times*, 5 May 2018.
- 151. Bridget Welsh, '«Saviour» Politics and Malaysia's 2018 Electoral Democratic Breakthrough: Rethinking Explanatory Narratives and Implications'.
- 152. Chan Tsu Chong, 'Democratic Breakthrough in Malaysia Political Opportunities and the Role of Bersih'.
  - 153. Ibid.
  - 154. 'BN manifesto: Double joy for BR1M recipients', The Star, 7 April 2018.
- 155. 'Najib promises salary hike for civil servants', The Straits Times, 3 April 2018
- 156. 'Najib: 67,000 taxi drivers get RM800 each with 1Malaysia taxi welfare card', *The Star*, 13 April 2018.
  - 157. Bridget Welsh, 'GE14 show me the money', Malaysiakini, 7 May 2018.
- 158. Shahrul Aman Mohd Saari, 'Corrupt Practices in Malaysia's Election Campaigns: An Account by Domestic Observers', *The Roundtable*, Vol. 107, No. 6, 2018.

traditional media favoured the ruling regime due to various forms of formal and informal ownership.<sup>159</sup> There was also a crackdown on what was left of independent media. In 2015, access to the Malaysian Insider website was blocked to Malaysian users, although it remained accessible for users outside Malaysia. In this situation, the website was forced to shut down a year later for commercial reasons. 160 The Malaysian Communications and Multimedia Commission (MCMC) aggressively monitored the spreading of news and information on the internet and via social media. <sup>161</sup> Throughout 2016 and 2017, 1375 websites were blocked for allegedly circulating «false content». 162 The government then established two portals that could be used for fact-checking and the provision of «accurate» information related to the election. 163 When launching one of these two portals, rakyat.com, Najib decried the opposition's focus on 1MDB as 'fake news' and published BN's version of the truth. 164 The crack-down on social media was also intended to prevent the penetration of international news by limiting the extent to which it was shared. 165 Popular politicians such as Mahathir, Anwar and Muhyiddin, however, were extremely vocal in criticizing both 1MDB and Najib's involvement. 166 During the introduction of the 2017 budget, opposition politicians staged a walkout. 167 The Public Accounts Committee (PAC), a parliamentary committee tasked with oversight of public accounts, reported major shortcomings and implicated Najib. 168 It made clear that UMNO had become the vehicle of Najib and his personal enrichment.<sup>169</sup> The opposition had strong social media accounts, especially in comparison to UMNO's relatively weak presence, and

- 159. James Gomez, Mustafa Anuar & Yuen Beng Lee, Media and elections: democratic transition in Malaysia, Kuala Lumpur: SIRD, 2018.
- 160. 'Independent Malaysian news site closes amid government clampdown on media', *The Guardian*, 15 March 2016.
- 161. Gulizar Haciyakupoglu,' THE 'FAKE NEWS' LABEL AND POLITICISATION OF MALAYSIA'S ELECTIONS'.
- 162. 'MCMC: 167 cases of Internet abuse investigated till Feb', *Malay Mail*, 8 March 2017.
- 163. The portals were sebenarnya.my and rakyat.com . See 'Government portal sebenarnya.my an online hit', *New Straits Times*, 23 October 2017.
- 164. Gulizar Haciyakupoglu,' THE 'FAKE NEWS' LABEL AND POLITICISATION OF MALAYSIA'S ELECTIONS'.
- 165. 'Malaysia dubs foreign reporting on 1MDB as fake news', *The Malaysian Insight*, 11 March 2018.
- 166. 'Former Malaysian premier Mahathir sues PM Najib over 'abuse of power', *The Guardian*, 23 March 2016.
- 167. 'Malaysia: Opposition leaders walk out on PM Najib's Budget 2017 speech', Asian Correspondent, 22 October 2016.
  - 168. 'In a nutshell: The PAC's report on 1MDB', Malay Mail, 7 April 2016.
- 169. Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections', new mandala, 23 May 2018.

Mahathir presented his speeches on Facebook live.<sup>170</sup> In Malaysia the use of social media, especially Facebook and WhatsApp, proliferated in this period due to the spread of smartphones in geographical areas wider than the urban base that was already well-informed about the scandal.<sup>171</sup> The Reuters Institute for the Study of Journalism 2018 report observed that 72% of Malaysians received their news from social media.<sup>172</sup> It was used to spread the message that patronage only benefits those with UMNO links, and no longer the wider Malay community that constituted UMNO's traditional support. Indeed, Dr Ross Tapsell argues that the main «gossip» in the context of the election was Najib and Rosmah's personal wealth linked to LMDB.<sup>173</sup>

# 3. Domestic Policy Post-Election

## 3.1. Malaysia Baharu (New Malaysia)

While there was much hope of a new Malaysia becoming a more democratic, transparent and efficiently governed state as promised by PH, I argue that the transformation faced many obstacles throughout 2018. There was initially a great deal of optimism, as represented by the popularity of Tabung Harapan (Hope Fund) – a crowdfund which aimed to reduce Malaysia's national debt. Thus far, there have been demonstrations of greater democratic credentials which validate this optimism. There was an almost immediate change in the greater freedom of the press; The bans against the *Sarawak Report* and the *Medium* were revoked by the MCMC. Other limitations imposed by BN were quickly lifted, including that towards cartoonist Zunar who had his travel restrictions lifted. The Anti-Fake News Act was repealed, though it is currently being stalled by the BN-dominated

- 170. Cassey Lee 'Facebooking to Power: The Social Media Presence of Malaysian Politicians', ISEAS Perspectives, Issue No. 74, 2017.
- 171. Ross Tapsell, 'The Smartphone as the «Weapon of the Weak»: Assessing the Role of Communication Technologies in Malaysia's Regime Change', *Journal of Current Southeast Asian Studies*, Vol. 37, No. 3, 2018.
- 172. Nic Newman, Richard Fletcher, Antonis Kalogeropoulos, David A. L. Levy & Rasmus Kleis Nielsen, 'Reuters Institute Digital News Report 2018', Reuters Institute for the Study of Journalism.
- 173. Ross Tapsell, 'The Smartphone as the «Weapon of the Weak»: Assessing the Role of Communication Technologies in Malaysia's Regime Change'.
  - 174. 'Tabung Harapan breaks RM200mil mark', The Star, 26 December 2018.
- 175. 'Pakatan Harapan to allow greater space for press freedom, says Saifuddin', *The Star*, 14 July 2018.
  - 176. 'MCMC confirms lifting ban', The Star, 19 May 2018.
  - 177. 'Travel ban on cartoonist Zunar lifted', The Star, 14 May 2018.

senate.<sup>178</sup> There were, at times, remnants of «Old Malaysia» which PH was quick to discourage. Mahathir, for example, was insulted online and a police report filed, but the case was dismissed.<sup>179</sup> The only continuing limitation seemed to be any questioning of the Malaysian monarchy and Islam.<sup>180</sup> One landmark occurrence was that Anwar was released from prison after he received a full pardon.<sup>181</sup> In his first days as a free man he called on PH supporters and other Malaysians to act as watchdogs over the conduct of elected ministers. Mahathir, for example, initially announced his intention to be minister of education, which went against the PH pledge of the PM holding only one portfolio. There was a great amount of criticism, and Mahathir quickly changed course.<sup>182</sup>

The government has also been extremely critical of corruption. Mahathir has made many comments regarding transparency, MACC has been strengthened considerably, and amendments have been made to codes of ethics so that MPs must declare all gifts exceeding RM 500 (US\$ 122). 183 The most significant event showcasing this has been the arrest and subsequent charging of Najib. His arrest came less than a week after police announced that 12,000 items of jewellery, 567 handbags and suitcases full of cash were among the list of items seized at raids of properties belonging to him. 184 He was charged with criminal breach of trust and abuse of power concerning SRC international's fund of RM 42 million (US\$ 10,282,850) and the trial is expected in April 2019. After repeated arrests and six court appearances Najib faced 42 charges including counts of money laundering. 185 He has been prevented from travelling, and there have been suggestions that there was enough evidence (or what Mahathir calls an «almost perfect case») to result in successful court prosecutions in early 2019. 186 Notable charges linked to the ongoing 1MDB case have been filed against Goldman Sachs and two

178. Amanda Whiting, 'Human Rights in Post-Transition Malaysia', *The Round-table*, Vol. 107, No. 6, 2018.

179. 'Dr M disagrees with police action to arrest man over FB insults', *The Star*, 18 May 2018.

180. 'Lawyer who questioned monarchy hauled up by cops a second time', *The Star*, 12 July 2018.

181. 'Anwar Ibrahim released after years in prison in «new dawn for Malaysia»', ABC News, 16 May 2018.

182. 'Dr M: Ok, I won't be education minister, unless you ask me to', *New Straits Times*, 18 May 2018.

183. Scott Edwards 'The implications of Najib Razak's arrest for Malaysia: The good, the bad, and the ugly', *Asia Dialogue*, 10 July 2018.

184. Ibid.

185. 'Najib charged again on three counts of money laundering', The Edge, 28 January 2019.

186. '1MDB: Mahathir claims he has 'an almost perfect case' against former PM Najib', *The Guardian*, 20 June 2018.

former executives for their alleged involvement.<sup>187</sup> Rosmah has also been arrested and charged with money laundering after a number of appearances at MACC, one lasting 13 hours.<sup>188</sup> Other UMNO senior officials have not escaped this anti-corruption crackdown. Zahid was arrested on various corruption charges.<sup>189</sup> However, other allegations, such as those against Abdul Taib Mahmud in Sarawak, have been ignored, – allowing the perception that BN officials are being targeted.<sup>190</sup>

There also seems to be a greater movement towards good governance. Lim Guan Eng, who is ethnically Chinese, was given the influential minister of finance portfolio. Tommy Thomas, ethnically Indian and a Christian, was the first ever non-Malay attorney general. These were significant appointments, which, despite others' misgivings, were not opposed by Mahathir, in spite of his pro-Malay political agenda. <sup>191</sup>

# 3.2. Limitations of the ruling coalition

Success in transforming Malaysia, however, has been hampered by the limited ability of the ruling coalition with regard to meeting expectations, leadership divisions, the inheritance of BN-leaning institutions, as well as the role of ethnicity. Moreover, many questions surrounded the return of Anwar.

Following an international speaking tour, Anwar marked his return to politics with the PKR MP of Port Dickson vacating his seat. <sup>192</sup> The by-election that resulted was significant for two reasons. First, it showed the limitations of PH's willingness to advance democracy in Malaysia. There were some vocal criticisms of this process, with some activists arguing it was undemocratic for the seat to be made available for Anwar. <sup>193</sup> Some of the election practices were criticized as being reminiscent of the tactics that UMNO used; the abuse of government assets being one of them. <sup>194</sup> This also occurred at two

- 187. 'Malaysia files criminal charges against Goldman Sachs and two former executives', ABC News, 17 December 2018.
- 188. 'Ex-Malaysian PM Najib Razak's wife Rosmah Mansor arrested by anti-graft commission', *The Straits Times*, 3 October 2018.
  - 189. 'Zahid facing about 40 charges', New Straits Times, 19 October 2019.
- 190. 'AG urged to order probe into Taib Mahmud's wealth', *Free Malaysia Today*, 7 July 2018.
- 191. 'Dr M says Tommy Thomas sole AG nominee, won't name others', *Malay Mail*, 3 June 2018
- 192. 'Speaker's office confirms Port Dickson MP's resignation', *Malay Mail*, 12 September 2018.
- 193. 'Bersih: Beyond dynasty claim, Anwar's PD move highlights electoral flaw', *Malaysiakini*, 17 September 2018.
- 194. 'PH tops election offences in PD by-election, says Bersih', *Free Malaysia Today*, 26 October 2018.

other by-elections held in 2018 – Seri Setia and Balakong. <sup>195</sup> The second reason for its significance is that Anwar won with a significant majority. <sup>196</sup> Indeed, the by-election seemed historic in the sense that Mahathir campaigned for Anwar during the by-election, appeared on stage with him for the first time in 20 years, <sup>197</sup> and pledged that he would step down after two years to allow Anwar to become the next Malaysian prime minister. <sup>198</sup>

The show of unity on display at Port Dickson, however, masked some problems for PH. Analysts have expressed concern about leaders' abilities to remain united, given their problematic histories, masked by an anti-incumbent agenda that is no longer required. 199 Mahathir's personal relationship with his coalition members, most importantly with Anwar (as well as his wife Wan Azizah and daughter Nurul, a member of parliament), is particularly important. Anwar has good reason to hold misgivings against Mahathir for instigating the cruel treatment he faced during the initial arrests, especially as Mahathir has commented on Anwar's immoral behaviour and lack of moral fibre.<sup>200</sup> Anwar has said he would not be comfortable being in Mahathir's cabinet, based on their past relationship. As noted above, Mahathir has promised that Anwar will be the next prime minister. Originally it was suggested that this would be after two years, but Mahathir seems to have backtracked and has since said it could be longer.<sup>201</sup> Despite this, Anwar has been conciliatory. 202 When asked if he trusts Mahathir, he argued that they have to move on. Anwar has stated that it is his job to support Mahathir, and that while it was not easy for him to agree to cooperate with him, he was satisfied that Mahathir had accepted the reform agenda of PH and was atoning for past mistakes.<sup>203</sup> This also seems to be the case with the relationships between Mahathir and Lim Kit Siang, Lim Guan Eng, Mat Sabu

- 195. 'Bersih warns Pakatan against repeating «BN's tactics» in PD by-election', *Malay Mail*, 4 October 2018.
  - 196. 'Anwar wins with huge majority', The Star, 14 October 2018.
- 197. 'Malaysia's Mahathir stumps for Anwar Ibrahim in Port Dickson by-election', *The Straits Times*, 8 October 2018.
- 198. 'PM Mahathir says he will honour agreement to hand power to Anwar after two years', *The Straits Times*, 3 September 2018.
- 199. Ng Qi Siang, 'Pakatan Harapan spats more than just teething issues', To-day Online, 2 January 2019.
- 200. 'Sworn enemies Mahathir and Anwar toppled Najib, but pose new risk to Malaysia', *The Straits Times*, 15 May 2018.
- 201. Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics'.
- 202. Yang Razali Kassim, 'IN CONVERSATION WITH ANWAR IBRAHIM: On Mahathir, Reconciliation & Political Transition', *RSIS Commentary*, 13 September 2018.
- 203. 'Not being PM now? It's a blessing in disguise, says Anwar', *Free Malaysia Today*, 4 June 2018.

and Yunus Ali.<sup>204</sup> They were all arrested during Mahathir's 1987 Operation Lalang, and were vocal critics during Mahathir's previous tenure as prime minister. Lim Kit Siang argues that Mahathir is aware of his past mistakes, however, and that all seems to be forgiven between them.<sup>205</sup> Mahathir has admitted that Operation Lalang was primarily political, but that he was an unwilling participant.<sup>206</sup> While some doubt his sincerity, especially as he has not apologized,<sup>207</sup> there has been a demonstration of unity based on the reform agenda and a perceived integrity of Mahathir's commitment.<sup>208</sup> Despite this, there is an irony that Mahathir has been forgiven, and some concerns that he is now leading the reform movement even though he was authoritarian during his previous tenure as prime minister.

The coalition is also struggling to formulate a collective policy with regards to Malay rights and Islamic values. These were prioritized by Bersatu and reaffirmed at their second annual general assembly in December 2018,<sup>209</sup> but questions remain how these can be reconciled with a progressive agenda. This is demonstrated by the difficulties in ratifying the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD).<sup>210</sup> Initially the government's intention appeared to be that of ratifying ICERD. Contributing to the progressive agenda, it was hoped that ICERD would serve to progress human rights in Malaysia and advance the creation of an inter-ethnic society. There were vocalized concerns, however, that the values represented by ICERD were against Malay culture and the values of Islam. In fact these concerns appeared to be originated by the seemingly unfounded view that ICERD would undermine the constitutional privileges enjoyed by the Malay Bumiputera («sons of the soil», a term to denote those 'originally' from Malaysia) under Article 153.211 Eventually, the government cancelled its intention to ratify the treaty, due to the backlash received from a proportion of the Malay popula-

- 204. Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics'.
- 205. 'Dr Mahathir aware of past wrongdoings, says Kit Siang', *The Malaysian Insider*, 28 May 2018.
- 206. 'Police responsible for Ops Lalang, Mahathir says', *The Straits Times*, 28 October 2017.
- 207. 'Dr M: I have never made any formal apologies to Anwar', *The Star*, 2 October 2018.
- 208. Scott Edwards, 'Malaysia's Elections: Corruption, Foreign Money, and Burying-the-Hatchet Politics'.
- 209. 'Mahathir says his Parti Pribumi Bersatu Malaysia will protect Malay interests', *The Straits Times*, 29 December 2018.
- 210. 'Minister: Govt to ratify convention on racial discrimination, five other treaties in Q1 2019', *Malay Mail*, 24 October 2018.
- 211. Asmiati Malik & Scott Edwards, 'From 212 to 812: Copy and Paste Populism in Indonesia and Malaysia?', *The Diplomat*, 18 December 2018.

tion.<sup>212</sup> Another indication of the challenge represented by the protection of Malay rights was the debate concerning Universiti Teknologi MARA (UiTM), namely Malaysia's biggest University, which has a policy of admitting only Bumiputera students. Some have called for the university to be opened to non-Bumiputera, but others have suggested that this change would be too fast.<sup>213</sup> Clearly, the government faces difficulties in accommodating the interests of the non-Malay, who overwhelmingly supported PH and who are hungry for change, while at the same time allaying anxieties of the bulk of the Malay electorate, who are wary of the coalition in power and worried for the perceived loss of privileges.<sup>214</sup>

All this poses problems for the coalition's unity – especially as Bersatu has been accepting former UMNO members into its ranks. Former UMNO member Mustapa Mohamed, commonly known as Tok Pa, joined Bersatu, and many others have announced their intention to do the same. The concern is that Bersatu will become a dominating, corrupt, and power hungry «UMNO 2.0», which would perpetuate Malay privilege at the cost to other members of the coalition. The Mahathir himself has recognized this danger and argued that only «clean» members will be accepted.

There are also former-UMNO stalwarts on the Council of Eminent Persons, an unelected advisory group seen to wield significant power.<sup>218</sup> That the coalition may incorporate a party, Bersatu, which is on its way to become UMNO 2.0, has been suggested as the reason explaining «Princess of Reform» Nurul Izzah's decision to resign as PKR vice president and relinquish her federal government roles after having pointed out that party-hopping was a «betrayal of mandate given the 9th of May, [which] insults those who are loyal to the cause».<sup>219</sup> Her resignation may also be in response to the divisive PKR internal election beginning on 22 September 2018, which

- 212. 'Faced with opposition, Mahathir backtracks on KL ratifying UN human rights treaty ICERD', *The Straits Times*, 23 November 2018; Prashant Waikar, 'ICERD and Old Politics: New Twists in Post-Election Malaysia?', *RSIS Commentary*, 21 December 2018.
- 213. Mohd Tajuddin Mohd Rasdi, 'UiTM should be for Malays only, but...', Free Malaysia Today, 29 May 2018.
- 214. Hwok Aun Lee, 'New regimes, old policies and a bumiputera reboot', new mandala, 16 September 2018.
  - 215. 'Tok Pa joins Bersatu, as was expected', *The Star*, 26 October 2018.
- 216. Mohsin Abdullah, 'Remaking Malaysia: Should Bersatu accept an Umno influx?', *The Edge*, 16 November 2018.
- 217. '«Bersatu now Malays' party of choice»', New Straits Times, 28 December 2018.
- 218. 'Malaysia's Council of Eminent Persons won't be dissolved yet: PM Mahathir', *The Straits Times*, 16 August 2018.
- 219. 'Malaysia's «princess of reform» Nurul Izzah quits party posts', *The Straits Times*, 17 December 2018.

focused on who would become deputy president. <sup>220</sup> While both challengers claimed loyalty to Anwar, Azmin Ali, the incumbent, was seen as being closer to Mahathir and harbouring his own ambitions for becoming party president. <sup>221</sup> Azmin won, but Rafizi was appointed vice-president while Saifuddin Nasution Ismail, seen as a Rafizi ally, was retained as secretary-general. Yang Razali Kassim, a Senior Fellow with the S. Rajaratnam School of International Studies, argues that the PKR internal election unleashed new instability inthe party, affecting both its unity PKR and the wider PH coalition. <sup>222</sup> This is especially true as the elections were close and beset by many difficulties such as money politics, dirty tactics, and even physical altercations. All this was seen as testing the party strength and raising questions about PKR's ability to deliver on *reformasi*, when it could not even keep its internal elections clean. <sup>223</sup>

These concerns involving unity and strength aroused serious scepticism regarding PH's ability to deliver on some of its promises, as well as convince the population that it was meeting their high expectations.<sup>224</sup> For example, Wan Saiful Wan Jan apologized for failing to keep the promise to abolish the National Higher Education Corporation Fund (PTPTN) loans.<sup>225</sup> He had promised that those who had taken PTPTN loans, which fund higher education, and earn less than RM 4000 (US\$ 980) would be able to defer their payments. There was also a failure to ensure a minimum of 30% of executive and legislature positions for women.<sup>226</sup> Mahathir admitted that not all promises can be met – and out of ten chosen in the first 100 days<sup>227</sup> only five were achieved.<sup>228</sup> Some believe that the minor movement towards strengthening human rights and accountability are demonstrative of a lack of political will.<sup>229</sup> This has led to civil society calling for more

- 220. 'Making sense of PKR's election: What we know so far', *Malay Mail*, 20 October 2018.
- 221. Yang Razali Kassim, 'Bumps in Malaysia's planned political transition', *East Asia Forum*, 1 February 2019; Yang Razali Kassim, 'Anwar's Rise, Fall and Rise Again: Tests in Malaysia's Succession', *RSIS Commentary*, 26 November 2018.
  - 222. Ibid.
  - 223. 'Making sense of PKR's election: What we know so far'.
- 224. Tommy Koh, 'Promises of the «Book of Hope»: Influences on the New Malaysian Government', *Asia Pacific Bulletin*, Number 443, 17 October 2018.
- 225. 'PTPTN chairman says sorry over failure to keep promise', *New Straits Times*, 10 November 2018.
- 226. Pey Jung Yeong, 'How Women Matter: Gender Representation in Malaysia's 14th General Election', *The Roundtable*, Vol. 107, No. 6, 2018.
- $227.\ '10$  promises in 100 days: Pakatan Harapan's count down timer starts now', Channel News Asia, 10 May 2018.
- 228. Serina Rahman, 'Many unrealised promises to tackle, as the Pakatan Harapan government approaches 100 days in office', *Channel News Asia*, 5 August 2018.
- 229. Amanda Whiting, 'Human Rights in Post-Transition Malaysia', *The Round-table*, Vol. 107, No. 6, 2018.

PH accountability<sup>230</sup> as well as criticisms that the government focuses too much on BN's past wrongdoings and too little on good governance.<sup>231</sup> The suggestion that the current government is at least doing better than the former one is seen as weak justification for failure to deliver on promises.<sup>232</sup> Concerns remain that the coalition does not have the strength or ability to successfully continue to govern in future.

## 3.3. Viability of BN (and UMNO)

The election results which left BN decimated and UMNO the only real power in the coalition, as well as the arrest of Najib and the criminal charging of some of UMNO's leadership, made the viability of BN and UMNO a common theme in domestic policy. However, despite their crisis, BN and UMNO, soon after the elections, began to show signs of recovery, mounting an effective opposition to the new government and proving to be an obstacle to PH meeting its promises. Clearly, early perceptions of BN's irrelevance seem to have been misguided.

Sabah BN parties abandoned the coalition following the results – the United Pasokmomogun Kadazandusun Murut Organisation (UPKO) as early as the night of the election, joining the PWS-Sabah PH Alliance.<sup>233</sup> This was followed by the Liberal Democratic Party (LDP), Parti Bersatu Sabah (PBS), and Parti Bersatu Rakyat Sabah (PBRS).<sup>234</sup> While Sarawak BN retained the state government, the Sarawak parties who had left BN came together in a political alliance, the Gabungan Parti Sarawak (GPS), after Mahathir refused to allow them to join PH.<sup>235</sup> While MIC and MCA have not left BN, there have been significant debates concerning whether they would be best served by remaining in it, especially as their power is significantly reduced due to their lack of seats.<sup>236</sup> UMNO itself was also significantly weaker, and while it won 54 parliamentary seats, there have so far been 17 defections from UMNO by MPs, who have either joined PH parties or become independents, leaving UMNO with only 37 seats.<sup>237</sup> A large number of defections also occurred at

- 230. Thomas Fann, 'Challenges and Opportunities Facing Civil Society Organisations in the New Malaysia', *The Roundtable*, Vol. 107, No. 6, 2018.
- 231. 'Harapan govt must stop the blame game and deliver on promises, says Daim', *The Star*, 8 November 2018.
- 232. Nurul Izzah Anwar, 'Malaysia's *Reformas*i has just begun', *The Round Table*, Vol. 106, No. 6, 2018.
- 233. 'Upko quits Sabah BN, exodus could follow', Free Malaysia Today, 10 May 2018.
- 234. 'PBRS becomes third party to leave Sabah BN; begins efforts to join PH', New Straits Times, 12 May 2018.
  - 235. John Teo, 'Can GPS Deliver?', New Straits Times, 17 January 2019.
- 236. 'Malaysia's Chinese opposition party MCA to decide whether to quit BN coalition on Dec 2', *The Straits Times*, 1 December 2018.
- 237. '6 more Umno MPs leave the party, adding to recent exodus', *The Straits Times*, 14 December 2018.

the state assembly level. Notable UMNO defections were those of Mas Ermieyati Samsudin (former head of Puteri UMNO), Mustapha Mohamad (former trade minister), and Anifah Aman (former minister for foreign affairs).<sup>238</sup> Other senior figures were under pressure. Musa Aman, UMNO Sabah leader, left abruptly for London following failed attempts to form a state government.<sup>239</sup> While this was claimed to be for medical treatment, he has since been charged with corruption.<sup>240</sup> Jamal of 'Red-Shirts' fame was later arrested in Indonesia and imprisoned in Malaysia.<sup>241</sup>

The issues surrounding senior figures, and the public's strong determination to bring Najib to justice, have led to serious questions concerning the UMNO leadership. Indeed, even its party-members were disillusioned by the extent to which the party was acting in the interests of a small minority. Despite this, the UMNO party assembly in June 2018 saw Najib-aligned leaders taking most leadership positions – including Zahid as UMNO president. Support for the party may not endure, however. Both Najib and Zahid face prosecution. Indeed, Zahid quickly stepped down following further defections. Party May 10 to 10 to

Despite signs of weakness, the selection of Zahid over Khairy Jamaluddin Abu Bakar (also known as KJ) at the UMNO elections demonstrated that it may still cause problems for the PH government.<sup>245</sup> Khairy represented a more multi-ethnic and progressive agenda, with suggestions that UMNO could be opened up to non-Malay members.<sup>246</sup> This was rejected and, by choosing Zahid, UMNO signalled its desire to pursue an exclusivist and anti-pluralist Malay First politics, widely seen by the party-members as a conceivable path to the resumption of power.<sup>247</sup>

- 238. John Funston, 'Malaysia's 14th General Election (GE14) The Contest for the Malay Electorate'.
  - 239. 'Musa Aman says he's in UK and not on the run', The Star, 26 June 2018.
- 240. 'High Court reverses Sessions decision, Musa Aman is grounded', *The Star*, 19 January 2019.
- 241. 'Once fugitive, Jamal Yunos back to business in Umno', *Malay Mail*, 2 August 2018.
- 242. 'Khairy: Umno members must accept the reality of 1MDB', *The Star*, 18 November 2018
- 243. Scott Edwards, 'Battles for legitimacy: the arrest of a former prime minister and what's next after Malaysia's historic election', *British International Studies Association*, 2018.
- 244. 'Zahid steps aside as Umno president, hands over duties to deputy', *The Star*, 18 December 2018.
- 245. Scott Edwards, 'The implications of Najib Razak's arrest for Malaysia: The good, the bad, and the ugly'.
- 246. 'KJ's proposal that Umno be opened up to other races may backfire, says Zahid', *Malaysian Insight*, 23 June 2018.
- 247. Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections'; Norshahril Saat, 'UMNO Revival: Reaffirmation of Ideology or Reform?', *IS-EAS Perspectives*, 15 November 2018.

The increasing appeals to ethno-nationalism as a basis for support can be seen in three events other than the selection of Zahid at the UMNO elections. First, the discourse surrounding Najib's innocence following his arrest emphasized race and religion. Najib ended his video response (which featured clips of him praying) by stating: «I will face all the challenges with strength. After all, Allah is all-knowing, merciful and caring». 248 His day in court witnessed supporters engaging in candle-lit vigils, singing «Allah Selamatkan Kamu» (Allah save you) and heckling the attorney general for not using the Malay language.<sup>249</sup> Second is UMNO's growing links with PAS. In the Sungai Kandis by-election on 4 August 2018, PAS did not field a candidate and urged supporters to choose UMNO.<sup>250</sup> Divisions within PAS concerning how strongly to align with UMNO seem to be favouring the alliance, <sup>251</sup> as there are increasing calls for PAS to work together with UMNO from within the Islamic party.<sup>252</sup> Finally, and linked to this, were the rallies against the introduction of ICERD. On 8 December there was Himpunan 812 (Gathering 812) where 60,000 people rallied.<sup>253</sup> Initially, it was organised to protest against ICERD, but after the government changed its stand on this topic, Himpunan 812 became an opportunity to demonstrate Malay and Islamic unity,<sup>254</sup> marshalling it against events such as recognizing the United Examination Certificate (a standardized test for the independent Chinese high school sector in Malaysia), bilingual street signboards, holding Oktoberfest events, and debates concerning LGBT rights, which are all seen to undermine Islamic and Malay primacy.<sup>255</sup> As Hew noted, many of those present supported a Malay-dominated leadership and/or an Islamic-oriented government, and UMNO supporters were mobilized to highlight the Malay agenda. 256 Najib and Zahid attended the rallies, as did Hadi, and while Zahid stated that Gathering 812 is not a political partnership, the rally clearly showed an attempt to build a political narrative centred on its joint ability to represent Muslims as a means of returning UMNO to

- 248. Scott Edwards, 'Battles for legitimacy: the arrest of a former prime minister and what's next after Malaysia's historic election'.
- 249. Scott Edwards, 'The implications of Najib Razak's arrest for Malaysia: The good, the bad, and the ugly'.
- 250. 'Syed Umar Ariff Sg Kandis by-election: Will Pas supporters abide by instruction to vote BN?', *New Straits Times*, 29 July 2018.
- 251. Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections'.
- 252. 'PAS must unite with Umno for Malays' sake, says Youth chief', *The Malaysian Insight*, 27 December 2018.
- 253. Asmiati Malik & Scott Edwards, 'From 212 to 812: Copy and Paste Populism in Indonesia and Malaysia?'.
- $254.\,$  Hew Wai Wang, 'Himpunan 812 and a new rivalry in Malay politics', new mandala, 12 December 2018.
- $255.\,$  Hew Wai Wang, 'Malay anxiety, exclusion, and national unity',  $new\ mandala,\,18$  September 2018.
  - 256. Hew Wai Wang, 'Himpunan 812 and a new rivalry in Malay politics'.

power.<sup>257</sup> As such, UMNO leadership was able to foster a growing Islamist backlash to PH's «liberal» «anti-Islam» and «anti-Malay» government.<sup>258</sup>

In December Zahid stepped down over the number of UMNO members who had left the party to join Bersatu.<sup>259</sup> His replacement by Mohamad Hasan, a technocrat considered a moderate politician, was initially seen as a change towards a more democratic program, based on «nurturing a Malaysian democratic system through principled leadership as an opposition political party; raising UMNO's credibility as a respected opposition political party; combating money politics; turning ideas into political capital and reviewing the Malay agenda». 260 However Hasan also stated that: «The new UMNO is only for those who are clean and who will fight for and loves [sic] his/her race.» <sup>261</sup> Therefore, the fight for Malay primacy has remained the core UMNO strategy, giving it continuing political relevance. This translates into the fact that UMNO, despite some weakening, still represents a danger for the PH regime. ICERD was wildly unpopular among many Malay voters. Together with other events which have angered portions of Malay society, this shows that PH is so far unable to reconcile differences over the role of Islam and Malay privileges with a progressive agenda. By focusing on ethno-nationalistic issues, UMNO cannot fail to gain support, while at the same time highlighting the weakness of the coalition. This resonates with many Malay voters. Conservative Islamic followers feel increasingly marginalized and point out the tolerance shown by the current government as the reason for their feelings of insecurity. <sup>262</sup> While the means by which UMNO exerted control have largely been removed, it has managed to remain a significant issue for the ruling government and is not yet irrelevant in Malaysian politics.

# 4. The Economy

There has been some transformation in the economy, but the uncertainty that characterized the 2016-2017 period has not diminished. The diminishing gas and oil prices, on which much of the government revenue

- 257. Asmiati Malik & Scott Edwards, 'From 212 to 812: Copy and Paste Populism in Indonesia and Malaysia?'.
- 258. *Ibid.*; Serina Rahman, 'Should Malaysia Expect an Islamist Backlash?', *ISEAS Perspectives*, 11 September 2018.
- 259. 'Zahid can't stop Umno from bleeding, but is fresh leadership the answer?', Malay Mail, 20 December 2018.
- 260. Jocelin Tan, 'New Umno No.1 aims to stop the bleeding', *The Star*, 22 December 2018.
- 261. 'Mohamad Hasan outlines strategy to rejuvenate UMNO', *The Edge*, 31 December 2018
- 262. Scott Edwards & Asmiati Malik, 'How powerful is ethno/religious populism in Indonesia and Malaysia?', *British International Studies Association*, 2019.

is dependent, was of concern to Malaysia. The resulting shortfall in government revenues, however, has mostly been covered by Goods and Services Tax (GST).<sup>263</sup> There has been steady growth and an overall rise in the GDP rate of growth. According to World Bank data, Malaysian GDP dropped from to 6.007% in 2014 to 5.092% in 2015 and 4.223% in 2016, but rebounded to 5.897% in 2017.<sup>264</sup> In 2018, the GDP rate of growth went down once again, to 4.7%. Interestingly, however, the GDP per capita rate of growth was on a steady positive trend since 2015. The rate of growth of per capita GDP, which was 2.9% in 2014, had plummeted to -13.6% in 2015 and a further -1.4% in 2016, to rebound to 4.8% and a remarkable 11.3% in 2017 and 2018 respectively.<sup>265</sup> More generally, predictions on the economic outlook of the country were positive.<sup>266</sup>

Lower income households<sup>267</sup> have endured spiralling costs of living, of concern even before the election. These costs are related to rising commodity prices, falling prices of saleable goods such as palm oil, and an extremely expensive property market.<sup>268</sup> This was exacerbated by GST and the ending or reduction of commodity subsidies. This higher cost of living has only served to heighten economic vulnerabilities.<sup>269</sup> Under Najib's rule there were attempts to tackle this, particularly through Transformasi Nasional 2050 (TN50) – a bottom-up process to long term development – but little progress was made.<sup>270</sup>

Malaysia experienced record levels of inflation during Najib's tenure, hitting an annual rate of 3.8% in 2017. While income inequality has decreased, Malaysia remains in the top tier of those countries suffering from inequality in Southeast Asia. <sup>271</sup> As a consequence, there has been a significant decline in social mobility and the growth mentioned above has not seen parallel job expansion and wage increases. Furthermore, International

- 263. Yeah Kim Ling, 'Malaysia's 2018 Budget: Balancing Short Term Needs and Long Term Imperatives', ISEAS Perspectives, 24 November 2017.
  - 264. World Bank, GDP growth (annual %), Malaysia 1961-2017.
- 265. 'Malaysia GDP Gross Domestic Product', countryeconomy.com, 1 December 2018
- 266. Yeah Kim Ling, 'Malaysia's 2018 Budget: Balancing Short Term Needs and Long Term Imperatives'; Shankaran Nambiar, 'The Malaysian economy faces turbulence abroad after regime change', *new mandala*, 20 December 2018.
- 267. Allen Ng, Tan Zhai Gen, & Alia Muhammad Radzi, 'Beyond Inflation: How Rising Costs of Living Affects Different Malaysian Households', *Khazanah Research Institute*, 1 November 2018.
- 268. Lim Tech Ghee, Challenging Malaysia's Status Quo, Kuala Lumpur: SIRD, 2018
- 269. Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections'.
- 270. Lee Hwok Aun, 'Malaysia's Transformasi Nasional 2050 Brings Bold New Style, but to What End?', *ISEAS Perspectives*, 11 May 2017.
- 271. Allen Ng & Tan Kar Man, 'Improving Income Inequality: Fact or Fiction?', *Khazanah Research Institute*, 27 November 2018.

Labour Organization estimates suggest that youth unemployment reached 10.8% in 2017, a marginal increase over the past three years and especially problematic for fresh university graduates.<sup>272</sup>

Pakatan Harapan promised to solve these problems through a wide programme of reforms, and it is hoped that this might raise much of the population out of near-poverty. In the face of criticism, the coalition repealed GST as it left the government with a shortfall of revenue – estimated at RM 20 billion (US \$4.9 billion).<sup>273</sup> It was replaced with Sales and Service Tax, perceived to be equally problematic, with many questioning the difference. Another measure to tackle cost of living were proposed fuel subsidies and initiatives to build affordable housing. However, the continuing massive drop in commodity prices, such as rubber and palm oil, was creating problems for those dependent on agriculture, further alienating rural voters and preventing economic advancement for these populations. PH's policies have done little to tackle the rising cost of living.

Race inevitably plays a role in economics just as it does in politics, and this shows no sign of changing despite expectations that PH would implement a needs-and-merit based economic policy. In an attempt to make the economy more open Lim Guan Eng affirmed an open tender policy for federal public procurement. However, the government was careful to show that it would not side-line Malay contractors.<sup>274</sup> Dr Hwok Aun Lee argues this «continual reservation of small contracts for Bumiputera firms satisfies [some electoral constituencies]» as Bumiputera firms have always traditionally being more competitive in regards to small contracts, while non-Bumiputera firms compete for larger contracts. <sup>275</sup> What this means in effect is that the new government is not yet broadening the ways it develops Malay competitiveness.<sup>276</sup> The Mid-Term Review of the 11th Malaysia plan also recommitted to economically supporting Bumiputera empowerment, but signalled a new awareness of the needs of minorities. 277 At the end of the day, while the government recognized the need for the introduction of a needs-based economic policy that addresses inequalities, its continuing focus on affirmative action for the Malay population negated any such progress.

One of the first moves that Dr Mahathir made after taking office was to reverse the decision on some of the huge infrastructure projects. They were perceived as being of greater financial benefit to China than Malay-

<sup>272.</sup> Bridget Welsh, 'Malaysia's political transformation(s): preliminary reflections'.

<sup>273.</sup> Shankaran Nambiar, 'The Malaysian economy faces turbulence abroad after regime change'.

<sup>274.</sup> Hwok Aun Lee, 'New regimes, old policies and a bumiputera reboot'.

<sup>275.</sup> Ibid.

<sup>976</sup> Ibid

<sup>277.</sup> Lee Hwon Aun, 'Mid-Term Review of 11th Malaysia Plan: Reaffirming Bumiputra Policy, But Also Signalling New Attention to Minority Needs', *ISEAS Perspectives*, 24 January 2019.

sia. Two such cancelled projects were the RM 55 billion (US\$13.5 billion) East Coast Rail Link, and the RM 9 billion (US \$2.2 billion) Multi-Product Pipeline and Trans-Sabah Gas Pipeline. $^{278}$ 

There were concerns that the US-China trade war could impact on the Malaysian economy, especially if intermediate goods exports are affected or there is a slowdown in growth and trade.<sup>279</sup> Lim Guan Eng has revealed that the Ministry of Finance (previously headed by Najib) has been paying 1MDB loan settlements and liabilities, and that the country's debt is much more significant than previously announced. PH redefined national debt to include federal government debt, contingent liabilities, and lease payments for public-private projects. According to this new methodology, Malaysia now has debts in excess of RM 1 trillion (US\$ 350 billion).<sup>280</sup> This was used as justification to reduce spending, but has led to questioning the soundness of the Malaysian economy.

PH's first ever tabled budget was deemed sensible and flexible, as it did not impose a further fiscal burden on the people but still provided opportunities for economic expansion.<sup>281</sup> The budget settled for a deficit of 3.7% of GDP, and increased spending by 10.4%, which, though, was made possible by the extra revenue related to a one-off tax refunds.<sup>282</sup> With some modification, the cash grant scheme for the underprivileged was retained. It did not necessitate the introduction of austerity, but was more restrained than hoped for, and the uncertainty of the past few years has not diminished.

#### 5. International Relations

Malaysia's international reputation has unquestionably suffered due to repeated «shaming» with regards the 1MDB scandal, Najib having been declared one of the most corrupt leaders in the world by Time magazine in 2016. However, the country is now viewed more positively as a result of its intention to transition to full democracy.<sup>283</sup>

- 278. Shankaran Nambiar, 'The Malaysian economy faces turbulence abroad after regime change'.
- 279. Alyssa Farha Jasmin & Aidonna Jan Ayub, 'Amidst the Giants: Malaysia and the Trade War', *Khazanah Research Institute*, 23 August 2018.
- 280. Shankaran Nambiar, 'The Malaysian economy faces turbulence abroad after regime change'.
  - 281. Ibid.
- 282. Yeah Kim Leng, 'Malaysia's Budget 2019: The New Government's Fiscal Priorities, Challenges and Opportunities', *ISEAS Perspectives*, 13 December 2018.
- 283. Much of the literature discusses Malaysia as an electoral authoritarian or hybrid state, highlighting the fact that, despite there being elections, Malaysia does not meet the requirements for democracy, as fixed by academic theory. For an introduction to this problem see William Case, 'Electoral authoritarianism in Malaysia: trajectory shift', *The Pacific Review*, Vol. 22, Issue 3, 2009, pp. 311-333.

Relations with the US have remained stable despite the realization that Malaysia has been hedging between China and the US. 284 The two countries had elevated their ties to that of a comprehensive partnership under Obama, and, while there have been challenges posed by the election of Donald Trump, these appeared to have been managed by Najib.<sup>285</sup> One of those challenges was Trump pulling out of the Trans-Pacific Partnership (TPP); this would have given a boost to Malaysia's economy.<sup>286</sup> However, a meeting between Najib and Trump in September 2017 seemed to restore relations. Prior to that, there had been a growing estrangement between the US and Malaysia as a result of the US Department of Justice's investigation into Najib financial misdeeds.<sup>287</sup> Cooperation between the two countries has primarily been focused on counter-terrorism. Mahathir's return to power raised questions about whether this momentum will continue, considering that the new Malaysian premier has been critical of Trump. There have also been high level meetings between Secretary of State Mike Pompeo and Mahathir in Malaysia, and between Mat Sabu and (former) US Defense Secretary Jim Mattis.

Under Najib, relations with China were becoming closer through his pursuit of Chinese foreign direct investments (FDI)<sup>288</sup> together with his willingness to buy arms from China. He also granted the Chinese navy limited access to a port in Sabah. As a result of this policy, Malaysia emerged a major beneficiary of the Belt and Road Initiative (BRI).<sup>289</sup> Malaysia has not been among the more vocal countries criticizing China's policy in the South China Sea,<sup>290</sup> even when Chinese ships encroached into Malaysian waters. Since Mahathir came to power, the relationship has endured,<sup>291</sup> albeit Malaysia has been «cautious rebalancing» its approach towards China.<sup>292</sup>

284. Yang Razali Kassim, 'Is Malaysia Tilting Towards China?', RSIS Commentary, 30 December 2016.

285. Prashanth Parameswaran, 'Mahathir Visit Spotlights US-Malaysia Relations Under New Government', *The Diplomat*, 25 September 2018.

286. Murray Hiebert, 'Trump-Najib Meeting Gives Malaysia-U.S. Relations Shot of Adrenaline', *Centre for Strategic and International Studies*, 14 September 2017.

287. Chan Xin Ying & David Han, 'Najib's United States Visit: What is Going On?', RSIS Commentary, 11 October 2017.

288. Evelyn Devadason, 'Malaysia's «cautious rebalancing» approach towards China', *Asia Dialogue*, 31 July 2018.

289. Cassey Lee, 'Deepening of Malaysia's Economic Ties to China: What Are the Implications?', ISEAS Perspectives, 20 December 2016; Tham Siew Yean, 'Chinese Investment in Malaysia: Five Years into the BRI', ISEAS Perspectives, 27 February 2017; Johan Saravanamuttu & David Han, 'Malaysia-China Relations: A New Turn?', RSIS Commentary, 4 November 2016; Johan Saravanamuttu, 'Malaysia's East Coast Rail Link: Bane or Gain?', RSIS Commentary, 31 August 2017.

290. David Han, 'Malaysia's South China Sea Policy: Contradictions or Domestic Confusion?', *RSIS Commentary*, 19 April 2016.

291. Chan Xin Ying, 'Sino-Malaysian Relations: A Brand-New Engagement in a New Era', *Asia Dialogue*, 21 July 2018.

292. Evelyn Devadason, 'Malaysia's «cautious rebalancing» approach towards China'.

The question of China's role in Malaysia featured heavily throughout the election campaign.<sup>293</sup> As aforementioned, Mahathir, once in power, asked for a re-evaluation of the major Chinese developments.<sup>294</sup> No doubt, however, some of them will be allowed to be completed.<sup>295</sup> Mahathir stated: «We will be friendly to China but we don't want to be indebted to China». This new attitude was the consequence of the negativity towards China's infrastructure investment, brought about by its financial association with the BN government.<sup>296</sup> It has become clear that Malaysia will adopt a more robust approach in the South China Sea in future, with less deference being shown to China than during the Najib era.<sup>297</sup> On his official visit to Japan, Mahathir announced he would be reviving his Look East policy, first introduced when he previously held office in 1981.<sup>298</sup> Despite this focus on Japan, Mahathir's visit to China was accorded equal importance.<sup>299</sup>

Other relationships cultivated by Najib seemed to be suffering reversals such as those in the Islamic world, including Saudi Arabia. Najib had strengthened and expanded the connection with Saudi Arabia throughout the final two years of his tenure. Malaysia extravagantly welcomed King Salman in 2017, 300 and this was reciprocated by a high-profile trip to Saudi Arabia by Najib. Their close relations drew attention when Najib claimed that money suspected to be from 1MDB was deposited as a donation from the Saudi royal family. While this is increasingly recognized as being false, Saudi governmental figures did in fact corroborate Najib's claims. 301 This close relationship between the two states 302 became increasingly important, especially with regard to Saudi investment in Petronas and the devel-

293. 'Selling the country to China? Debate spills into Malaysia's election', *Reuters*, 27 April 2018.

294. Scott Edwards, 'Back to the future: Old friends and rivals returning in Malaysia's «new» foreign policy direction?', *Asia Dialogue*, 1 August 2018.

295. Tham Siew Yean, 'The Belt and Road Initiative in Malaysia: Case of the Kuantan Port', *ISEAS Perspective*, 15 January 2019.

296. Hong Liu & Guanie Lim, 'The Political Economy of a Rising China in Southeast Asia: Malaysia's Response to the Belt and Road Initiative', *Journal of Contemporary China*, 2018.

297. Scott Edwards, 'Back to the future: Old friends and rivals returning in Malaysia's «new» foreign policy direction?'.

298. Ibid.

299. Lye Liang Fook, 'Mahathir's China Visit and Malaysia-China Relations: The View from China', *ISEAS Perspectives*, 7 September 2018.

300. Norshahril Saat, 'Malaysia Capitalizes on Saudi King Salman's Visit', IS-EAS Perspectives, 17 March 2017.

301. Scott Edwards & Asmiati Malik, 'Saudi Arabian Relations Under Strain in Southeast Asia', *The Diplomat*, 7 November 2018.

302. Norshahril Saat, 'Malaysia Capitalizes on Saudi King Salman's Visit'; Saleena Salem, 'Expanding KL-Saudi Ties: Benefits and Risks for Malaysia', *RSIS Commentary*, 9 March 2017.

opment in refineries.<sup>303</sup> The biggest symbol of their cooperation was the joint anti-terrorism centre, the King Salman Center for International Peace (KSCIP). At the time then-Defence Minister Datuk Seri Hishammuddin Hussein said it was an essential development in countering extreme ideologies. In other security developments Malaysia joined a Saudi-led coalition, seen by some as a military bloc against Iran, supporting Saudi intervention in Yemen.<sup>304</sup> Since then disagreements over Yemen have spurred growing scrutiny of Saudi money and influence. Key figures in the new government, such as Mat Sabu, have been critical of Saudi policies in the past, arguing that following the Saudi line so closely had undermined Malaysia's neutrality with regards Iran. This has led to a tangible change in Malaysia-Iran relations as well as a decline in cooperation. Minister of Defence Mat Sabu closed the KSCIP,<sup>305</sup> and removed Malaysia's troops from Saudi Arabia.<sup>306</sup>

Subsequent meetings between Saudi Foreign Minister Adel al-Jubeir and Mahathir, during which al-Jubeir sought to reassure Mahathir that the funds given to Najib did not come from the Saudi government or royal family, have been seen as an attempt to appease Malaysian sensitivities. Saudi Arabia has also offered to cooperate with the 1MDB investigation, and has extended an invitation to Mahathir to visit the Kingdom so as to reassure the new government that its support for Najib was not malevolent. Malaysia meanwhile was focusing its efforts on neutrality and realignment with the wider Islamic world, not wishing to be too closely associated with Saudi politics. This means opportunities for increasing ties with Iran, and in particular participating in the Developing-8 (D-8) conference. Iran has already expressed an interest in Malaysia taking a greater international and regional role at a meeting between the Iranian president Hassan Rouhani and Mahathir at the UN (27 September 2018).

The final non-ASEAN relationship of interest which underwent change throughout this period was with North Korea. Until 2017 - when North Korean President Kim Jong Un's brother was assassinated in Kuala Lumpur International Airport (KLIA) using a chemical weapon - relations

<sup>303.</sup> Scott Edwards & Asmiati Malik, 'Saudi Arabian Relations Under Strain in Southeast Asia'.

<sup>304. &#</sup>x27;Malaysia joins Saudi-led military alliance against terrorism', *The Star*, 15 December 2015; 'Saudi Arabia announces 34-state Islamic military alliance against terrorism', *Reuters*, 15 December 2015.

<sup>305.</sup> Asmiati Malik & Scott Edwards, 'Saudi Arabia's influence in Southeast Asia – too embedded to be disrupted?'.

<sup>306.</sup> Ibid.

<sup>307.</sup> Scott Edwards & Asmiati Malik, 'Saudi Arabian Relations Under Strain in Southeast Asia'.

<sup>308.</sup> Scott Edwards, 'Back to the future: Old friends and rivals returning in Malaysia's «new» foreign policy direction?'.

between the two countries had been relatively close. <sup>309</sup> As a consequence of the assassination, Malaysia closed its embassy in Pyongyang, as Kuala Lumpur believed the North Korean regime to be responsible for the assassination. Resulting from this, Malaysian diplomats were prevented from leaving Pyongyang. <sup>310</sup> Trade was terminated, and Malaysia refused to join any North Korean events. <sup>311</sup> Mahathir has since expressed his desire to re-normalize relations. <sup>312</sup>

With regards its neighbours, relations with ASEAN countries have been stable while cooperation continues to grow. Mahathir chose Indonesia as the first ASEAN country to visit and while little of substance resulted from his meeting with Indonesian President Joko Widodo, signs are that it was a positive. 313

The exceptions to the friendly relations between Malaysia and the other ASEAN countries are represented by Kuala Lumpur relations with Naypyidaw and Singapore. In 2016, then Prime Minister Najib Razak, breaking with ASEAN non-interference policy in the domestic affairs of the member countries, sternly rebuked Myanmar for the military-led crackdown on Muslim Rohingyas. He went so far as to accuse Naypyidaw of genocide. This policy did not change after Najib's fall from power, as shown by the fact that Mahathir accused Myanmar's de facto leader Aung San Suu Kyi to «defend the indefensible» over the atrocities committed by the country's military against Rohingya Muslims (13 November 2018).

While relations with Singapore were good under Najib, they have begun to suffer under Mahathir. «The people of Singapore - Mahathir observed, during an interview with a well-known British daily - like the people of Malaysia, must be tired of having the same government, the same party

- 309. Mustafa Izzuddin, 'Reviewing Malaysia's Relations with North Korea', *IS-EAS Perspectives*, 8 May 2017; David Han & Shawn Ho, 'Kim Jong Nam's Death: What It Means For Malaysia', *RSIS Commentary*, 12 April 2017.
- 310. 'Malaysia planning to shut embassy in North Korea in latest sign of frayed relations', *South China Morning Post*, 14 October, 2017.
- 311. 'Malaysia further downgrading ties with North Korea a year after airport assassination: sources', *Reuters*, 13 February 2018.
- 312. 'Malaysia PM expresses readiness to normalize ties with North Korea', Kyodo News, 26 June 2018.
- 313. Scott Edwards, 'Back to the future: Old friends and rivals returning in Malaysia's «new» foreign policy direction?'; Emirza Adi Syailendra, Oh Ei Sun & Santi H. Paramitha, 'Jokowi and Najib: Can They Bring Indonesia and Malaysia Closer?', *RSIS Commentary*, 13 January 2016.
- 314. 'Malaysia PM opens thorny debate in accusing Myanmar of genocide', *Reuters*, 9 December 2016.
- 315. '«Defending the indefensible»: Malaysia's Mahathir slams Suu Kyi over Rohingya crisis', *Reuters*, 13 November 2018.

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since independence».<sup>316</sup> This criticism has been coupled by actions which could not but be negatively received by Singapore, such as the cancellation of a high-speed rail link between the two countries, and a return to the controversial question of the price Singapore pays for Malaysian water (a sensitive issue considering Singapore is not yet self-sufficient in its water supplies).<sup>317</sup> Tensions over port access, resulting in an open dispute, have worsened relations considerably and created even further uncertainty.<sup>318</sup>

<sup>316. &#</sup>x27;Mahathir Mohamad charts new democratic path for Malaysia', *Financial Times*. 29 May 2018.

<sup>317.</sup> Ibid.

<sup>318. &#</sup>x27;Singapore, Malaysia maritime dispute: A timeline', *Channel News Asia*, 6 December 2018.