

# MALAYSIA 2024: TRIALS AND TRAJECTORY OF ANWAR IBRAHIM'S POLITICAL LEADERSHIP

Emanuela Mangiarotti      and      Marshelayanti Mohamad Razali

University of Pavia  
emanuela.mangiarotti@unipv.it

Universiti Pendidikan Sultan Idris  
marshela@fsk.upsi.edu.my

*This paper presents an analysis of how debates around reform in Malaysia unfolded in 2024, focusing on Prime Minister Anwar Ibrahim's efforts to align the government's trajectory with his political vision, grounded on Islamic values. Domestically, the unity government faced mounting pressure to implement a reform agenda that had underpinned its rise to power in 2022. At the same time, it navigated a polarized public debate, seeking to balance Malay dominance with the multiple demands coming from the different sections of society. In this context, Anwar's emphasis on positive diversity, aiming to quell the periodic emergence of social disparity as a key issue in public discourse, both obscured and reinforced frictions over the dynamics of marginalization and racialization in the country. On the international stage, the Anwar administration continued to rely on the Prime Minister's identity as a Muslim democrat to pursue a foreign policy that balances regional and global strategic priorities. This approach aimed to secure Malaysia's diplomatic and economic interests within an increasingly unstable international environment.*

KEYWORDS – Reform; Islam; Anwar Ibrahim; political leadership; public debate.

## 1. Introduction

Reforms and accountability have been long-standing themes in Malaysia's public debate, particularly in light of calls for fairer and more transparent governance systems that have shaped political crises and transitions over the past few decades [Weiss 2024].

The push for inclusive political representation, socio-economic welfare, and equal opportunities – alongside the principle of Malay dominance – has shaped political discourse and influenced electoral processes. Central to these debates are various interpretations of the role of Islam as the core of the state's foundations and the principles guiding political action. This trend has become more pronounced over the last three decades, mirroring the global rise of Islamist movements in Muslim polities [Mohiuddin 2023].

In Malaysia, groups such as Parti Islam Se-Malaysia (PAS) have played a significant role in shaping the political landscape, particularly as Malaysia's Muslim identity has been increasingly emphasized as a defining element of national politics [Mangiarotti 2024].

These developments have set the stage for Malaysia's recent political shifts, most notably the 2018 General Election, which saw the Barisan Nasional (BN) coalition suffer a major electoral defeat. The ensuing short-lived Pakatan Harapan (PH) government came into power on a platform focused on governance, anti-corruption, and accountability. However, internal divisions plagued the coalition, culminating in the «Sheraton Move» of February 2020, when multiple defections led to the government's collapse [Saleem 2021].

The subsequent political crisis ushered in the Perikatan Nasional (PN) government under Muhyiddin Yassin, which included the United Malays National Organization (UMNO), a Malay nationalist party that had previously governed Malaysia for 61 years under the BN coalition. The PN government was widely seen as a setback for reform, raising concerns that Malaysia was reverting to opaque governance [Talib 2023].

With the general election of November 2022, Malaysia underwent another political shift with the formation of the unity government under Anwar Ibrahim. The new cabinet, comprising a broad coalition of parties from both PH and BN, was seen as a potential but fragile move toward stabilizing Malaysia's political landscape [Mangiarotti 2024]. Anwar has positioned himself as a champion of reforms and good governance, having been at the forefront of the «Reformasi» movement in the early stages of his political career. Today, commitment to those principles is seen as central to his administration's legitimacy. He has pledged to tackle institutional weaknesses and rebuild Malaysia's international standing, emphasizing the need for transparency and efficiency in government institutions. Yet, navigating the balance between Malay interests – particularly in relation to Bumiputera<sup>1</sup> policies – and the broader calls for reform has proved delicate, especially in light of demands for greater inclusion and fairness coming from non-Malay communities.

Anwar has positioned himself as a moderate Muslim leader who upholds democratic principles while integrating Islamic values into political action. This vision is reflected in «Malaysia Madani», a framework he introduced to align the government's agenda with the moral authority of Islam, appealing to Malay Muslim voters and maintaining a commitment to reform [Mangiarotti 2024]. Seeking to frame his discourse as a credible yet less divisive alternative to PN's religious-nationalist rhetoric, Anwar's Madani highlights Islam's central and evolving role in debates on reform

1. Bumiputera is a term generally translated as «sons of the soil», describing the Malay majority and other indigenous peoples of Southeast Asia.

and governance. In his first two years in office, he has sought to position Malaysia as a Muslim democracy, carefully articulating a vision of Islam as both the foundation of national identity and a source of political legitimacy.

This paper analyzes key moments in Malaysia's domestic and international politics in 2024, focusing on reform, socio-economic fairness, and the role of Islam as central themes in Malaysia's public debate. It explores how the government navigated the tension between affirming the state's Malay religious-nationalist foundation, addressing specific policy imperatives, and upholding its commitment to pluralism. These issues have become increasingly contentious as minority demands for greater social and political representation highlight a growing dissatisfaction with a political and economic establishment that has long protected the privileges of the more powerful segments of society. While political elites have often endorsed the fight against social disparities rhetorically, their promises have focused more on promoting cultural diversity rather than advancing redistributive policies or concrete measures to address minority grievances, such as limited access to education and employment. This approach has further distanced marginalized social groups from mainstream politics. In 2024, these frictions emerged in the public debate surrounding the government's reformist efforts and in relation to Anwar Ibrahim's self-representation as a Muslim democrat, both domestically and internationally.

## *2. Reformism and Muslim leadership in Anwar Ibrahim's political trajectory*

After dedicating his first year in power to stabilizing the heterogeneous coalition, Anwar Ibrahim shifted his focus in 2024 to the reformist rhetoric that had underpinned the government's formation. In this context, Anwar framed himself as a moderate yet firm (Malay) Muslim leader, committed to promoting equality and transparency through Islamic values and principles. Anwar's career, in fact, exemplifies the deep-rooted connection between Islam and political reformism in Malaysia's political tradition.

Anwar Ibrahim rose to prominence in the 1970s, as a young leader of the emerging Islamist student movement. He contributed forming the Angkatan Belia Islam Malaysia (ABIM, Malaysian Islamic Youth Movement),<sup>2</sup> an organization influenced by the rise of Islamic renewal movements in post-colonial societies. Deeply inspired by scholars and thinkers like Muslim Brotherhood's founder, Hassan al-Banna, and South Asian philosopher, Abu al-Ala al-Mawdudi – both of whom emphasized Islam's role as a comprehensive system encompassing politics, society, and morality – Anwar's worldview centred on the belief that Islam provided the moral framework for a political agenda focused on social justice. In Malaysia, Anwar interact-

2. Anwar served as ABIM's President from 1974 to 1982.

ed closely with figures such as Syed Muhammad Naquib al-Attas, one of the country's most renowned Islamic scholars, and recipient of a Royal Professorship in October 2024 [Musa 2024, 11 November].<sup>3</sup>

In the 1970s and early 1980s, ABIM was involved in several agitations and demonstrations, gradually shifting its focus from international issues to internal matters related to economic justice and corruption. Through this lens, Anwar helped reframe discussions on Malay rights in explicitly Islamic terms, bridging ethnic-based political activism and Islamic renewal [Esposito and O. Voll 2001, p. 179]. The government's violent response to the movement unintentionally increased its visibility and expanded its support base.<sup>4</sup> As ABIM's leader, Anwar drew attention from mainstream political figures and, in 1982, UMNO president and Malaysian Prime Minister Mahathir Mohamad recruited him to join the party and take up government positions [Lemière 2022].

Now part of the political establishment, Anwar crafted a vision blending Islamic principles with pluralist democracy [Abdul Hamid 2014, p. 768]. His political career saw a rapid ascent and a sudden downfall. During the 1997-1998 Asian economic crises, his opposition to Mahathir's anti-market stance led to his ousting from government and party positions, followed by arrest on charges including corruption and sodomy. During this time, he sparked the Reformasi movement, a defining force that channelled widespread dissatisfaction into a collective call for change and crystallized political and institutional reform as a key fixture in Malaysia's public discourse. The crisis exposed the vulnerabilities in Malaysia's political and economic models, which had been heavily reliant on state-based crony capitalism. Anwar's calls for reforms resonated with those affected by the economic fallout, linking economic transparency with the demand for political change.

While in prison, public support for Reformasi coalesced around the Parti Keadilan Nasional (PKN-National Justice Party), founded by Wan Azizah Ismail, Anwar's wife and a key reform movement leader. The party embodied widespread desire for change, centred around a doctrine of democratic pluralism that blended Islamic principles with «Asian values»

3. A Royal Professorship is the most prestigious recognition for academics «who have made significant contributions to Malaysia's development». The title was conferred by the King or Yang Di-Pertuan Agong (YDPA) Sultan Ibrahim Iskandar following a recommendation by PM Anwar Ibrahim. According to some, given the significance of the award and the relevance of Al-Attas's ideas to ABIM, the title «could suggest that the Madani administration has chosen to rely on the Muslim Youth Movement of Malaysia for support» [Musa 2024, 11 November].

4. As noted by Esposito and O Voll, «in the early 1970s, Anwar's importance and visibility increased as student's activism became an important part of the Malaysian political context» [Esposito and O Voll 2001, p. 179]. In 1975, amendments introduced in the Universities and University Colleges Act 1971 included specific provisions to curb university students' political activism, by giving full government control over the institutions.

[Esposito and O. Voll 2001, p. 194]. This vision shaped ongoing debates on political reform, focusing on anti-corruption, socio-economic justice, and citizenship rights. Released after six years in prison, Anwar took on the leadership of the opposition to the UMNO-led Barisan Nasional government until 2015, when he was arrested once again on sodomy charges, serving time until 2020.

After his release from prison in 2020, Anwar Ibrahim worked to reclaim a leading position within the opposition, but his efforts were complicated by the repercussions of the «Sheraton Move» in February 2020 and the subsequent formation of Muhyiddin Yassin's Perikatan Nasional government. Anwar's longstanding political ambitions were ultimately realized with his appointment as the prime minister of a broad unity government following the 2022 general election. In this role, he has faced the challenge of aligning his long-held vision of a pluralist society based on Islamic principles with the realities of leading a disparate coalition in a polarized political landscape.

### 2.1. *Citizenship reform and its discontents*

In 2024, a key reform championed by the Anwar government was the Constitution (Amendment) Bill, which addresses citizenship rights in Malaysia. First tabled in the Dewan Rakyat (the Parliament's Lower House) on 25 March, the bill was passed on 17 October. Remarkably, it received support from 206 Members of Parliament, including some MPs from the opposition, surpassing the required two-thirds majority for constitutional changes.

Upon approval, the new law was presented as a bipartisan, uncontroversial initiative to address gender-discriminatory provisions within Malaysia's constitutional framework.<sup>5</sup> Before its passage, Malaysian men had the automatic right to confer citizenship to their children born abroad, regardless of the mother's nationality. In contrast, Malaysian women in the same situation faced a lengthy and often cumbersome process to secure citizenship for their children. The government framed the bill as a crucial step towards aligning Malaysia's legal system with international human rights standards [*Free Malaysia Today* 2024, 17 October].<sup>6</sup>

5. Introducing the Budget 2025 on 18 October, one day after the Bill's approval, PM Anwar Ibrahim said: «I wish to take this opportunity to extend my utmost appreciation to all Honourable Members of Parliament who, just yesterday, pledged their unwavering support for an unprecedented decision to amend the Constitution, granting greater clarity and fairness on the matter of citizenship. First, it proves that when the most pressing matters of the rakyat are at stake, unity can be forged across partisan lines. Second, it marks the recognition of the rights of mothers and children, breaking through parochial mindsets». [Ministry of Finance 2024, 18 October, p. 18].

6. Although concerns have been raised about the provision's lack of retroactive application, potentially leaving children born overseas to Malaysian mothers before the reform in legal uncertainty [Welsh 2024, 25 October].

Despite the celebratory rhetoric, however, the legislation's path was not without controversy, facing significant opposition during its initial tabling in March 2024. Key contentious elements underscored the complex nature of the debate over access to citizenship, particularly for some of Malaysia's most vulnerable groups.

Many condemned the removal of automatic citizenship for children born to permanent residents and the restrictions placed on abandoned children, those born out of wedlock, and stateless children. Detractors argued that these provisions would disproportionately impact natives of Sabah, Sarawak, and Peninsular Malaysia who hold permanent resident cards but remain officially stateless [Malaysian Citizenship Rights Alliance 2024, 21 March]. Concerns were also raised over two other proposals: one regarding the revocation of citizenship from foreign spouses of Malaysian men if their marriage ended within two years of acquiring it, and the other concerning the reduction of the age limit for stateless children to apply for citizenship from 21 to 18. Even within the ruling coalition, some lawmakers objected to the amendments, claiming they further marginalized already vulnerable communities. The government justified the controversial provisions as necessary to safeguard national security and to prevent alleged widespread misuse of the citizenship process.<sup>7</sup> However, objections were accompanied by broader accusations that the Anwar administration was failing to uphold its commitments to equality and fairness.

During the debate on the inaugural royal address by the newly crowned Yang Di-Pertuan Agong (YDPA) [the Malaysian King] Sultan Ibrahim on 26 February, PH MP Ramkarpal Singh argued that, if approved, the bill would represent «a backward step that contradicts the government's aim to improve or reform the laws, and the government's promise to reduce the rate of statelessness in the country» [Azmi and Mahari 2024, 5 March].

Amid growing public backlash, the government withdrew the controversial amendment affecting abandoned and stateless children before presenting the bill for parliamentary discussion. This decision drew strong criticism from the PN opposition, which had largely supported the reform, accusing the government of acting without proper consultation [Tan *et. al* 2024, 25 March]. Fearing the lack of the required two-third parliamentary majority and a potential breakdown of the fragile coalition, the government deferred voting on the reform until the bill was further amended and finally passed in October, with a strong emphasis on addressing discrimination against women. Nevertheless, concerns over new restrictions on citizenship

7. While presenting the reform in March 2024, Minister of Home Affairs Saifuddin Nasution Ismail said «there is a need for a more cautious approach, as the challenges and national security situation must be a top priority in the national agenda – to protect the people and the country from external security threats which, if not strictly managed, could cripple the nation's administrative system» [Abd Mutalib 2024, 27 March].

access persisted, particularly regarding their impact on children from vulnerable and marginalized communities [Welsh 2024, 25 October].

The debate over the citizenship bill added to a series of political challenges for Prime Minister Anwar Ibrahim, who faced accusations of backtracking on his accountability and transparency agenda. His administration came under fire for the handling of high-profile corruption cases, including the reduction of the sentence for UMNO leader and former Prime Minister Najib Razak, granted through a royal pardon board headed by the resigning YDPA Sultan Abdullah. Najib, imprisoned for graft and money laundering related to the 1Malaysia Development Berhad (1MDB) scandal,<sup>8</sup> had his 12-year sentence commuted, a decision Anwar defended as a «matter of compassion». This raised concerns over selective justice and the potential political compromise [Reuters 2024, 5 February].<sup>9</sup>

Overall, the Anwar administration faced the challenge of translating its leader's vision into policy. Moreover, the government had to navigate the tension between promoting Islamic institutions and values and the need to accommodate the concerns of part of the coalition's electorate regarding Muslim-Malay dominance. This dynamic was exemplified by debates around the Mufti (Federal Territories) Bill 2024 and the Prime Minister's cautious response to the public outcry over the sale of socks printed with the word «Allah». Both issues (analysed below) underscored the centrality of Islam and reform as key, contentious themes in Malaysia's public debate.

## 2.2. *Striking a balance?*

On 2 July, Religious Affairs Minister Mohd Na'im Mokhtar introduced the Mufti (Federal Territories) Bill. Among other provisions, the bill seeks to enhance the legal value of «fatwas» (religious edicts issued by muftis<sup>10</sup>), broadening the circumstances under which they could become law without parliamentary approval. Concurrently, the bill also limits Islamic legal interpretations to the Shafi'i, Hanbali, Maliki, and Hanafi schools. While the proposal applies only to the federal territories,<sup>11</sup> critics warn the provisions

8. The scandal involved the misappropriation of approximately \$ 4.5 billion from 1MDB. Of this, around \$1 billion was illicitly transferred into Najib's personal accounts, as reported by investigators from both Malaysia and the United States.

9. Anwar had already faced criticism after state prosecutors announced on 4 September 2023, that they would drop corruption charges against Deputy Prime Minister and UMNO leader Ahmad Zahid Hamidi. While Anwar denied any interference with the judiciary, the fact that state prosecutors are directly appointed by the prime minister raised doubts about his impartiality [Latiff and Ananthalakshmi 2023, 4 September].

10. As explained by Intisar Rabb, «Muftis are scholars of Islamic law who are appointed to government agencies for the administration of Islamic law in both the federal territories and the states» [Rabb 2025].

11. Federal Territories are geographical-administrative units governed by the central government. They include Kuala Lumpur, Labuan and Putrajaya.

could later extend to the states [Welsh 2024, 4 November]. The bill sparked intense debate among civil society groups, with some arguing that it would empower religious authoritarianism, undermine personal freedoms, and marginalize both religious minorities and non-Muslims [Sisters in Islam 2024, 10 October].

According to lawyer and human rights activist Latheefa Koya, «this Mufti Bill poses a clear and present danger to the right of Muslims in Malaysia to practice their religion and carry on daily life without interference from the government or unelected officials» [Koya 2024, 10 October].

Voices from the Muslim political and academic spheres urged the government to open a space for discussion about the controversial bill. For instance, Mufti of Perlis, Dr. Asri Zainul Abidin<sup>12</sup> wrote on a Facebook post that «the religious affairs minister should be promoting an agenda of inclusiveness and moderation, in line with the concept of Madani. Unfortunately, he seems to be leading the country into a situation where (fellow Muslims would accuse each other) of disbelief and heresy» [Mat Arif 2024, 20 October].

Similarly, PAS President Abdul Hadi Awang demanded a revaluation of the bill in light of it promoting a singular view of Islamic jurisprudence [Abdul Rahim 2024, 10 July].

In response to the public outcry, Anwar rejected accusations of yielding to radical forces within the Malaysian Islamic world and called on critics to avoid conflating Islam with religious fanaticism. In an interview with a national news portal, he said: «Anything we mention about Islam we will see some level of Islamophobia. They are not able to differentiate between extremist, fanatical views and the need to promote Islam in a moderate sense. The vast majority of Muslims in Malaysia are reasonable and moderate people. So this reaction is sometimes unwise. I think the answer to this is a healthy discourse, a reasoned discourse between all groups» [Raja Reza 2024, 6 November].

The government found support among several state muftis and Islamic scholars, who argued that the bill aimed to curb religious extremism [Musa 2024, 17 July] by more clearly defining and regulating the reach of *shari'a* [Rabb 2025]. The legislation was then advanced through a second parliamentary reading in February 2025.

The public debate surrounding the Mufti bill highlights the growing polarization in discussions on Islam and governance. In this case, the government faced criticism for allegedly enabling excessive involvement of Islamic institutions in the state apparatus. However, at other times, the Anwar administration has been accused of failing to adequately protect and uphold the country's Islamic foundations.

12. Asri is a popular Wahabi-leaning Islamic scholar, known for his social media activism and his anti-Shi'a views [Satt Norshahril *et. al* 2021, 16 June].



The so-called «Allah socks» controversy is a notable example, sparking heated debate over the place of Islam in inter-community relations in Malaysia. On 13 March, news spread online about a Chinese Malaysian retailer selling socks featuring the Arabic script for «Allah», with images of the controversial item sparking outrage, particularly among Malay Muslims. Religious groups, politicians, and members of the general public called for boycotts and the removal of the product, inducing the shop owner and the convenience store chain to offer multiple public apologies [Annuar 2024, 20 March].

Immediately, the matter took on national significance, with YDPA Sultan Ibrahim calling for «stern action» against those responsible for offending Muslims' religious beliefs and threatening national harmony during the month of Ramadan [*The Straits Times* 2024, 19 March]. Similarly, Na'im Mokhtar, Minister in the Prime Minister's Department (Religious Affairs), affirmed that «the word 'Allah' is highly esteemed in the eyes of Muslims. Allah is our creator and the act of putting Allah at our feet is an insult». [*Channel News Asia* 2024, 18 March]. UMNO Youth Chief, Akmal Salleh became particularly vocal on the issue, inciting boycotts in interviews and on social media. Akmal was also blamed on three incidents in which stores in different parts of the country were attacked with petrol bombs [*The Straits Times* 2024, 19 March].

As the issue became increasingly polarizing, the YDPA urged political leaders to avoid amplifying the matter and fuelling communal tensions. Calls for moderation were also raised by leaders in the ruling coalition. Politicians of the Chinese-led Democratic Action Party (DAP) condemned the divisive stances of their UMNO counterparts. DAP Secretary General Loke Siew Fook said: «we as political leaders must try to build bridges to resolve the issue and lower down the temperature. That's the approach we adopt as both a party and government, ensuring we do not blow issues out of proportion» [*Malay Mail* 2024, 19 March].

In this escalating context, PM Anwar came under public scrutiny for his cautious stance. While emphasizing the need to «maintain harmony and respect religious sensitivities», he refrained from aligning with either side. This reluctance drew criticism from militant Malay nationalists, who condemned his refusal to support calls for drastic punishment of the Chinese store chain and the Malaysian shop owner. At the same time, minority voices lamented his mild reprimand of those fueling anti-Chinese sentiment and inter-racial hostility. As Khairy Jamaluddin frames it, «for some Muslim-Malays, relative silence does not say anything about Anwar's leadership in defending the sanctity of Islam. For non-Muslims, the progressive Anwar whom they have supported all this while is nowhere to be seen» [Jamaluddin 2024, 28 March]<sup>13</sup>.

13. Khairy Jamaluddin is a former cabinet minister and prominent member of UMNO. He was expelled from the party in 2023 for allegedly violating party discipline in accordance with the UMNO Constitution.

While the PN opposition called for due punishment of similar «acts of disrespect to Islam» [*Harakah Daily* 2024, 19 March], opinions appeared particularly polarized within the ruling coalition and the public. This situation highlights how the ramifications of a politics of religious-racial identity extends beyond the PAS-Bersatu alliance, touching also the PH's effort to balance Malay-centric religious-nationalist positions with multi-culturalist rhetoric. Anwar's attempt to navigate competing demands may invertedly deepen polarization along religious-racial lines, by failing to offer a convincing alternative discursive platform to address underlying social issues.

This conundrum also underpinned Anwar's presentation of his administration's 2024 economic reform package, which sought to combine redistributive policies, financial prudence, and social harmony.

### 3. *Budget 2025: caught in the binary of need vs. race*

On 18 October, Prime Minister and Finance Minister Anwar Ibrahim presented Malaysia's third «Madani» Budget», with a total allocation of RM421 billion. He characterized the measure as need-based rather than race-based, thereby reaffirming his commitment to reforms aimed at reducing inequality and strengthening pluralist governance. Drawing on a range of inspirational figures – from prominent Islamic scholars to Aristotle and internationally renowned economists – Anwar grounded his discourse in a religious and moral imperative to ensure an equitable and sustainable resource distribution: «Interwoven with the command to express gratitude for the sustenance bestowed by Allah SWT, the Quran underscores the imperative of cultivating a robust and sustainable ecosystem, along with efficient governance, to manage the wealth of natural resources equitably and justly» [Ministry of Finance 2024, 18 October, p. 17].

In his speech, Anwar outlined two interconnected measures for reform. The first one focuses on restructuring state support to better assist those in need, while ensuring higher contributions from the wealthy.<sup>14</sup> The second one prioritizes a «prudent fiscal management» to strengthen the state's financial stability and ensure long-term sustainability. Within this framework, two key packages – Public Service Reform and Subsidies Reform – exemplify Anwar's vision of combining redistributive policy with a cost-cutting approach to public finance, aiming to address both long-standing efficiency issues and demands for greater socio-economic fairness.

14. Anwar said: «While the rich swim in their ever-growing fortunes, the poor continue to sink deeper into the abyss of poverty» [Ministry of Finance 2024, 18 October, p. 23].

### 3.1. *A polarized public debate*

In Malaysia, the civil service system has been subject of ongoing debate and reform, with Malay dominance being a key point of contention [Hwok-Aun 2023]. The issue is rooted in the colonial political economy, which compartmentalized employment and economic activities based on supposed racial specialization [Hirschman 1986]. Post-colonial policies and nation-building efforts have continued to favour labour segregation,<sup>15</sup> culminating in the 1971 New Economic Policy (NEP). The NEP institutionalized pro-Bumiputera affirmative action across multiple sectors, including public employment, reinforcing the perception of civil service as a de facto Malay domain. Over time, this issue has intersected with concerns over low productivity, fiscal sustainability, and equitable remuneration for public servants, fuelling debates on the need for structural reforms to enhance efficiency, ensure meritocracy, and balance economic equity.

In response to these concerns, the Anwar administration introduced a series of measures in 2024, addressing remuneration and productivity. A key component of this package is the reform of the pension system. First announced in January by Deputy Prime Minister Zahid Hamidi and introduced on 1 April, the measure seeks to address the financial strain on the system by removing the pension scheme for public officials and replacing it with the Employees Provident Fund (EPF).<sup>16</sup> The new framework is based on a savings accumulation scheme, with 11 per cent deducted monthly from the salary and 12 per cent matched from the government. Alongside these changes, the reform introduces a merit-based recruitment process, under which employees are initially hired on a fixed-term contract and then transitioned to a permanent status after a performance review. Additionally, Anwar announced the restructuring of the salary scheme under the Sistem Saraan Perkhidmatan Awam (SSPA), based on an incentive system «to encourage civil servants to provide the best service to the ‘rakyat’»<sup>17</sup> [Ministry of Finance 2024, 18 October, p. 152].

While the government presented the new provisions as part of an effort to promote meritocracy and improve the overall quality of the civil service, the reform sparked concerns. Critical voices within the multi-coalition

15. According to Christopher Choong Weng Wai, Malaysia’s «has navigated the contested racial logic of British colonialism and Japanese imperialism» by pursuing a form of «anti-colonial raced capitalism» as a developmental state project which reproduces «new forms of racial/gender domination with counter-hegemonic frames» [Choong Weng Wai 2024, p.1].

16. The measure will only apply to new recruits, while existing public servants will be able to retain their pension scheme. Employees could already choose between the pension scheme, which provides a portion of the last drawn salary for life and the EPF. However, the large majority opted for the former which ensured a fixed monthly entry for life [Hwok-Aun 2024, 7 March].

17. Rakyat is a Malay term meaning «the people of Malaysia».

government argued that the new contract system could discourage people from entering the civil service, as it prioritizes alleviating the state's financial burden over ensuring job and economic security for employees [Singh *et. al* 2024, 26 January]. In general, the reform did not specifically address the longstanding issue of Malay dominance in public service, which reflects multilayered dynamics of privilege and marginality among different groups in Malaysia. According to Hwok Aun, the failure to meaningfully engage with the issue may run counter to the government's stated aim to strengthen national unity and promote social harmony [Hwok Aun 2023].

This issue also became evident in relation to the subsidies reform. Anwar and his administration have emphasized that broad-based subsidies – covering fuel, electricity, water, education, healthcare, and staple goods – place an unsustainable burden on government finances. During the Budget 2025 speech, Anwar said: « Subsidies, in principle, are akin to charity – and ipso facto, should not be exploited by the upper crust of the society. Historically, we have allocated subsidies broadly across various sectors, including fuel, electricity, water, education, healthcare services, and even essential items like chicken. However, we must acknowledge that this approach is imprudent, particularly as our nation grapples with a substantial debt burden and a limited revenue base» [Ministry of Finance 2024, 18 October, p. 33].

When presenting Budget 2025, Anwar announced that certain spending cuts – particularly for petrol, residential schools, higher education, and health services – would only affect the ultra-rich. Thus, the government attempted to garner public support by framing the initiative as a means of ensuring fairness in group-targeted policies. Notably, the Prime Minister seized on a controversy over wealthy Malaysian families benefiting from residential school subsidies intended for low-income Bumiputera students [Kasinathan 2024, 3 January].

While Anwar's assertions aligned with his need-based approach to poverty alleviation, they did little to ease minorities' perceptions of exclusion. In August, the administration launched the Bumiputera Economic Transformation Plan 2035 (PuTERA35), outlining 132 initiatives that appeared in continuity with the majority-favouring policies embedded in national development plans since the 1971 NEP. By catering to a polarized public sentiment locked in a pro- vs. anti-Bumiputera binary, the government sidestepped a deeper discussion on the rationale and implications of its group-targeted actions. Notably, Anwar's discourse around PuTERA35 has emphasized poverty reduction but, in the name of social harmony, it has largely neglected concerns about limited opportunities for minority groups – especially in higher education, where access and advancement remain significant barriers [Hwok-Aun 2025].

In so doing, the Anwar government's narrative has, in fact, further divided political sentiments and hindered an open conversation about the need for targeted action to achieve greater fairness and social justice objec-

tives. Creating space to address both minority demands for greater opportunities and calls for redressing the structural socio-economic marginalization of vulnerable Bumiputera groups remains a significant challenge in Malaysia's public debate.

#### *4. Positioning Malaysia within an uncertain international scenario*

Anwar's 2024 foreign policy remained aligned with his Islamic perspectives and his image as a Muslim statesman [Mangiarotti 2024]. The Prime Minister's actions reflect an effort to position himself as a leader capable of advocating for Muslim interests on the global stage. This was particularly evident in his ongoing condemnation of Israel's genocide in Gaza. During a three-day visit to Qatar in May, Anwar met with a Hamas delegation led by Ismail Haniyeh, the party's political chief, who was later assassinated in Tehran on 31 July [Strangio 2024, 15 May]. Anwar's willingness to engage openly with Hamas, coupled with his cabinet's refusal to recognize U.S.-imposed sanctions on Iran, garnered public support in Malaysia, especially among the Muslim population [Hassan 2024, 11 November]. In November, Anwar participated in a major rally in Kuala Lumpur in solidarity with Palestinians, reaffirming his rejection of international pressure to condemn Hamas [*The Straits Times* 2024, 13 November].

Anwar's approach to international politics as a Muslim democratic leader has also been complemented by a civilizational perspective, grounded on a vision of dialogue and harmonious coexistence between different religious and philosophical traditions [Chang 2025]. Particularly in relation to Malaysia's relations with China, he has emphasized a convergence between Confucianism and Islam as providing the guiding principles for a morally enlightened international politics [Wai 2024, 30 May]. In 2024, the two countries celebrated the 50th anniversary of their diplomatic ties with reciprocal official visits, reiterating their mutual commitment to enhancing cooperation in areas such as education, trade, investment, transport, and connectivity [Ministry of Foreign Affairs 2024].

In July, Malaysia took up the position of country coordinator for relations with China within ASEAN, a role that could increase the country's visibility as a facilitator of the region's ties with Beijing.<sup>18</sup> On a global political scale, in July Malaysia submitted its application to join the BRICS alliance, which includes Brazil, Russia, India, China, and South Africa, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates. Malaysia officially became a BRICS's partner country in October, alongside other 13 new applicants.

18. Malaysia will also lead ASEAN in 2025.

Anwar's actions on the international stage in 2024 suggest a growing effort to secure Malaysia's key positions and economic reach, recognizing the need to adapt to the rapidly changing international landscape. In this context, the Prime Minister appears to be leveraging his reputation as a Muslim leader to balance regional priorities with broader global developments.

## 5. Conclusion

In 2024, the Anwar administration pursued both institutional and economic reforms, presenting a leadership grounded in Islamic values. Domestically, Anwar framed his government's policies as efforts to promote equity and financial sustainability. However, his administration struggled to meaningfully address deep-rooted grievances related to the principle of Malay dominance, resulting in a lack of engagement with critical minority voices. As a result, the public debate increasingly reproduced the binary logic juxtaposing progressive reformism with religious-racial conservatism.

On the international stage, Anwar proposed a civilizational approach to foreign policy. He reaffirmed his stance on Palestinian rights and condemnation of Israel's violence in Gaza, presenting himself as an advocate for Muslim interests. He sought to balance this with Malaysia's strategic interests, strengthening diplomatic ties with China and expanding the country's presence in global institutions like BRICS.

Ultimately, in 2024 Anwar has faced the challenges of adhering to a long-held vision of morally-guided political action, without substantially interrogating a public discourse that has historically sidelined an open discussion on multiple socio-economic lines of disenfranchisement in Malaysian society.

## BIBLIOGRAPHY

- Abd Motalib, Zanariah, 2024, 27 March, 'Saifuddin bentang RUU Perlembagaan (Pindaan) 2024 berkaitan kewarganegaraan', *Bharian*.
- Abdul Hamid, Ahmad Fauzi, 2014, 'Review of: The Evolution of a Muslim Democrat: The Life of Malaysia's Anwar Ibrahim. By Charles Allers. New York: Peter Lang, 2013. 345 pp.', *Sojourn: Journal of Social Issues in Southeast Asia*, 29(3), pp. 766-769.
- Abdul Rahim, Nor Fazlina, 2024, 10 July, 'Hadi calls for study of Mufti Bill', *The New Straits Times*.
- Annuar, Azril, 2024, 20 March, 'Boycott calls and apologies in Malaysia amid uproar over socks with the word «Allah»', *The Straits Times*.

- Azmi, Amalia, and Hakim Mahari, 2024, 'Govt's citizenship amendment proposal deemed illogical and unreasonable', *The New Straits Times*, 5 March.
- Chang, Peter T.C., 2025, 'Anwar Ibrahim's Championing of Civilisational Dialogue Continues: Balancing Ideals and Realities', *ISEAS Perspective*, 1.
- Channel News Asia, 2024, 18 March, 'Malaysia mart's «Allah» socks blunder sparks backlash from Muslims and debate among politicians'.
- Choong Weng Wai, Christopher, 2024, 'Anti-colonial raced capitalism in Malaysia: Contested logics, gendered repertoires', *Review of International Studies*, pp. 1–20.
- Esposito, John, and John O. Voll, 2001, *Makers of Contemporary Islam*, Oxford: Oxford University Press, pp. 177–98.
- Free Malaysia Today, 2024, 17 October, 'Azalina, MPs hail «historic day» as citizenship amendments passed'.
- Harakah Daily, 2024, 19 March, 'Stokin bertulis kalimah Allah – Permohonan maaf tidak cukup, perlu tindakan paling tegas'.
- Hassan, Hazlin, 2024, 11 November, 'Malaysians boycott companies and goods with alleged ties to Israel, in support of Palestinians', *The Straits Times*.
- Hirschman, Charles, 1986, 'The making of race in colonial Malaya: Political economy and racial ideology', *Sociol Forum*, 1, pp.330–361.
- Hwok-Aun, Lee, 2023, 'Diversity in Malaysia's Civil Service: From Venting Old Grouses to Seeking New Grounds', *ISEAS Perspective*, 34.
- Hwok-Aun, Lee, 2024, 7 March, 'Malaysia's Public Service Pensions: Will to Reform, Without A Roadmap', *FULCRUM: Analyses on Southeast Asia*, 68.
- Hwok-Aun, Lee, 2025, 'Malaysia's Bumiputera Transformation 2035 Needs Rigour, Fairness, and Self-Awareness', *IEAS Perspective*, 3.
- Jamaluddin, Khairi 2024, 28 March, 'Malaysia's Sock Scandal: The Sound of Silence', *FULCRUM: Analyses on Southeast Asia*, 91.
- Kasinathan, Shathana, 2024, 3 January, 'T20 parents send kids to MRSM to teach them «to live hard», says alumni presidet', *MalayMail*.
- Koya, Latheefa, 2024, 10 October, 'Press Statement: Mufti (Federal Territories) Bill 2024 is Unconstitutional, Dangerous, Interferes with Rights of Muslims and Must be Withdrawn', X.
- Latiff, Rozanna, and A. Ananthalakshmi, 2023, 4 September, 'Malaysia drops corruption charges against PM Anwar's ally', *Reuters*.
- Lemière, Sophie, 2022, December, 'The (Final) Rise of Anwar Ibrahim', *Journal of Democracy*.
- Malay Mail, 2024, 19 March, '«Allah» socks: Political leaders should build bridges to resolve sensitive issues, says Anthony Loke'.
- Malaysian Citizenship Rights Alliance, 2024, 21 March, 'Human rights advocates seek audience with PMX and Cabinet on the proposed citizenship amendments', *Sinar Daily*.
- Mangiarotti, Emanuela, 2024, 'A Reform Agenda Overshadowed by Identity Politics', *Asia Maior*, XXXIV/2023, pp. 187–202.
- Mat Arif, Zahratulhayat, 2024, 20 October, 'Minister respects Perlis Mufti's invite to debate on bill', *The New Straits Times*.
- Ministry of Finance, 2024, 18 October, *Budget Speech 2025*.
- Ministry of Foreign Affairs, 2024, 'Joint Statement between the People's Republic of China and Malaysia on Deepening the Comprehensive Strategic Partnership towards China-Malaysia Community with a Shared Future'.

- Mohiuddin, Asif, 2023, *Navigating Religious Authority in Muslim Societies Islamist Movements and the Challenge of Globalisation*, Gewerbestrasse: Springer.
- Musa, Mohd Faizal, 2024, 17 July, 'Malaysia's Mufti (Federal Territories) Bill 2024: Sectarian or Crucial Step Forward?', *FULCRUM: Analyses on Southeast Asia*, 214.
- Musa, Mohd Faizal, 2024, 11 November, 'Naquib Al-Attas' Royal Professorship: Whither an Inclusive «Madani» Malaysia?' *FULCRUM: Analyses on Southeast Asia*, 343.
- Rabb, Intisar, 2025, 'Legislation and Regulation of Islamic Law in Malaysia', *Islamic Law Blog*.
- Raja Reza, Danish, 2024, 6 November, 'Anwar calls for healthy, constructive discussion on mufti bill', *Free Malaysia Today*.
- Reuters, 2024, 5 February, 'Malaysia's Anwar defends royal clemency for ex-PM Najib'.
- Saat Norshahril, Nur Syafiqah Mohd Taufek, and Afra Alatas, 2021, 16 June, 'Re-thinking Extremism Beyond Physical Violence: Anti-Shia Hostility in Malaysia', *ISEAS Perspective*, 81.
- Saleem, Salima, 2021, 'Malaysia 2020: Democratic backsliding amid the COVID-19 pandemic', *Asia Maior*, XXXI/2020, pp. 241-258.
- Singh, Sarban, Yee Xiang Yun, Junaid Ibrahim, 2024, 26 January, 'Govt urged to retain civil service pension scheme', *The Star*.
- Sisters in Islam, 2024, 10 October, 'The far-reaching implications of Mufti Bill', *Press Statement*.
- Strangio, Sebastian, 2024, 15 May, 'Malaysian PM Anwar Ibrahim Meets Hamas Delegation in Qatar', *The Diplomat*.
- Talib, Naimah S., 2023, 'Democratic Backsliding in Malaysia: Executive Aggrandizement Under Muhyiddin Yassin's Government', in James Ockey and Naimah S. Talib (eds.), *Democratic Recession, Autocratization, and Democratic Backlash in Southeast Asia*, Singapore: Palgrave Macmillan, pp. 117-138.
- Tarrence Tan, Ragananthini Vethasalam, and Khoo GeK San, 2024, 25 March, 'Opposition wants constitutional amendment to citizenship laws to be reviewed by PSSC', *The Star*.
- The Straits Times*, 2024, 19 March, 'Stern action needed against those culpable in sock issue, says Malaysia's King'.
- The Straits Times*, 2024, 13 November, 'Malaysia does not agree with Western pressure to condemn Hamas: PM Anwar'.
- Wai, Wong Chun, 2024, 30 May, '50 years of enduring Malaysia-China friendship', *Bernama*.
- Weiss, Meredith L., 2024, 'Is Malaysian democracy backsliding or merely staying put?', *Asian Journal of Comparative Politics*, 9(1), pp. 9-24.
- Welsh, Bridget, 2024, 25 October, 'Malaysia's new citizenship law maintains regressive measures', *Benar News*.
- Welsh, Bridget, 2024, 4 November, 'Misplaced priorities: Federal Territories Mufti Bill', *Malaysiakini*.