



IDSS COMMENTARIES (04/2004)

IDSS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of IDSS.

Malaysia: PM Abdullah Badawi's Performance and Prospects

Mushahid Ali and Joseph Liow*

25 February 2004

Malaysian Prime Minister Abdullah Ahmad Badawi completes four months in office with a sense of satisfaction that he has established his hold on the reins of power and is now ready to put his own stamp on the government and become the leader of the main ruling party, UMNO, in his own right. This "feel good" factor has spurred UMNO and the National Front (BN) to put into high gear their preparations for the nation-wide parliamentary and state elections, which must be held by November 2004. They have the renewed confidence of a comfortable victory, retaining BN's two-thirds majority in Parliament and to regain some of the seats lost in the Malay-dominated constituencies in Northern Peninsular Malaysia at the 1999 elections, particularly in Kedah and even Terengganu, which, along with Kelantan, is under the control of the Pan-Malaysian Islamic Party, PAS.

BN-UMNO optimism stems from the perceived sterling performance of Prime Minister Abdullah since he succeeded Dr. Mahathir Mohamad at the helm of government and the peak of UMNO on 31 October 2003. He had firmly countered the challenge of PAS leaders to engage the UMNO leadership in a debate over Islamisation of the country; first he dismissed the Islamic party's blueprint for the establishment of an Islamic state; second, he demonstrated that Islamic features of governance were already being observed by the current Malaysian government; third, he has publicly displayed his Islamic credentials by conducting prayers for a range of events, from opening government meetings to the breaking of fast during Ramadan. Abdullah has also taken the wind out of the sails of the PAS campaign against corruption in government, political and corporate sectors by making the fight against graft his top priority. Under his leadership the Anti-Corruption Agency has arrested and charged several high-ranking political, corporate and governmental figures for various illegal activities, and given notice that no one would be shielded from the law. He has also shown himself to be responsive to public disquiet and dissatisfaction with the public services and law enforcement agencies. The setting up of a Royal Commission to enquire into the conduct and performance of the Malaysian Police has won him plaudits, as has his impromptu inspection visits to government departments, such as Immigration, to encourage greater professionalism in the civil service.

Abdullah has given personal attention to the plight of the poor in flood-stricken areas and has made the battle against poverty a priority for his administration. The newly introduced policy of offering tuition for children of poor families has helped government policy return to the spirit of the NEP to tackle the problem of poverty at source. This shift in policy towards small-scale development and social issues was given further credence by Prime Minister Abdullah's decision to halt or put off multi-million ringgit infrastructure projects that threatened to further burden Malaysia's recovering economy. While the outlook

for robust growth remains clouded by global uncertainties that might threaten its export economy, the Malaysian economy continues to be buoyant, thereby further boosting the legitimacy of the ruling government for the forthcoming elections. Nevertheless, the Malay ground responds to a different drumbeat far removed from the more urban supporters of UMNO and its BN partners, and the ruling coalition will have to be alert to this if it harbours ambitions of regaining the rural Malay support it lost in 1999.

Opposition Prospects

The main opposition party PAS is putting on a bold face despite Prime Minister Abdullah's much-trumpeted achievements. While he is not a direct target of PAS attacks (unlike Dr. Mahathir during much of his tenure), the Islamic party continues to hold its weekly *ceramah* or political discussion sessions in the *kampung*s of rural Malaysia, right down to the Southern state of Johor, a traditional UMNO stronghold. Key issues of these *ceramah* are those of direct and immediate concern for the *kampung* people, such as lack of development, poor education, and employment prospects for their young and most importantly, the widening gap between the urban rich and rural poor, and the money politics that incessantly plagues UMNO and the BN. While Prime Minister Abdullah's religious credentials may be a barrier to PAS attempts to discredit the UMNO leadership or to push its Islamic agenda, the anti-corruption drive against political leaders and government officials could provide grist to the PAS propaganda mill that the UMNO-BN government is riddled with corruption and unIslamic elements. PAS leaders are intensifying their campaign to win the Malay-majority states of Kedah and Perlis and make further inroads in multi-racial states like Penang and Selangor on the back of their anti-corruption and social justice drive. They have also shrugged off UMNO attempts to discredit their Islamic state concept and challenged UMNO to a debate on the issue.

The other major opposition parties, the Parti Keadilan (Justice Party) of former Deputy Prime Minister Anwar Ibrahim and the socialist Parti Rakyat Malaysia (PRM), remain unable to cobble a viable platform beyond the campaign to free Anwar, and will continue to play second and third fiddle to PAS in the Alternative Front (BA). Their recent merger appears as little more than a marriage of convenience, and is not expected to make a major impact on the political scene. The Chinese-dominated Democratic Action Party (DAP) was decimated at the 1999 elections, and has yet to recover the ground it lost by joining the Islamic party in the BA alliance. Given the decisive swing in non-Malay support for the BN since 11 September 2001, and the fact that the two Chinese-dominated BN component parties, Malaysian Chinese Association (MCA) and Gerakan Rakyat Malaysia (Gerakan), are in discussions for a historic merger, the prospects for the DAP look bleak.

BN Prospects in PAS States

Notwithstanding the likelihood of a decisive BN victory in the coming elections, the prospects of UMNO regaining its lost ground in the two northeastern Malay states of Terengganu and Kelantan remain less certain. As leader of Terengganu UMNO, Abdullah is determined to turn around the disaffection of former UMNO supporters who had been alienated by the disgracing of Anwar, and rally those UMNO members who had been disillusioned with the intra-party politicking within the state party, long dominated by then-Menteri Besar Wan Mokhtar, in the buildup to the 1999 elections. Whether the rejuvenated leadership can overcome the impact of PAS rule over the last four years remains to be seen.

Similarly, prospects for UMNO are dim in Kelantan, which has remained stoutly pro-PAS since 1990 and almost returned a complete slate of PAS parliamentarians and state assemblymen in 1999. Though UMNO Kelantan has been revived to some extent under Mustapha Mohammad, who has consolidated his position after some initial unrest, the party remains divided over the replacement of four division chiefs. This disunity on the ground will pose a substantial obstacle to UMNO's ambitions of posing a significant challenge to PAS in Kelantan, where under PAS spiritual leader Nik Aziz Nik Mat the Islamic party remains popular, and its support base unwavering.

Conclusion

Few would disagree that Prime Minister Abdullah Badawi has made a good start at the helm of the Malaysian administration. However, his political standing will rise or fall both on the basis of the performance of his BN coalition in the coming elections, in particular the traditional gauge of UMNO's ability to regain a majority in parliament without factoring in seats won by its BN allies, and his ability as Terengganu UMNO chief to make substantial headway in the PAS-controlled state. The signs so far are encouraging for BN. Prime Minister Abdullah and his deputy Najib Tun Razak have already embarked on a sweeping campaign to promote the achievements of the government across the country. Prime Minister Abdullah is also riding on the wave of his popularity and the "feel good" factor that he has been able to generate among the people. While these may translate into increased electoral support for BN and UMNO in particular, the issues raised by the Prime Minister would no doubt have an impact beyond the elections. Should his anti-corruption crackdown, which some read as a "de-Mahathirisation" project, extend further up the UMNO leadership ranks, it might encounter a backlash or strong opposition within the party, which has long nurtured a symbiotic relationship between the political and corporate sectors. This might well have ramifications for the UMNO leadership elections due in June 2004, where many expect maneuverings to take place among candidates for the vice-presidency and possibly for the top leadership positions as well. The outlook for Malaysia in 2004 promises to be an interesting one, and the promising prospects for Prime Minister Abdullah not without challenge.

* (Mushahid Ali is a Senior Fellow and Joseph Liow is an Assistant Professor at the Institute of Defence and Strategic Studies.)