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Singapore | 29 December 2015

UMNO General Assembly 2015: Najib's Call for Unity and Loyalty is Hardly Enough

By **Norshahril Saat**¹

EXECUTIVE SUMMARY²

- The 2015 UMNO General Assembly (8 to 12 December) was conducted in the midst of a leadership crisis in the party. Many observers believe that Prime Minister Najib Razak cannot remain party president for long unless he regains members' support.
- Three issues central to this year's assembly were: the debt-laden 1 Malaysian Development Bank Berhad (1MDB); the RM 2.6 billion donation found in Najib's bank account; and the removal of Muhyiddin Yassin (UMNO Deputy President) and Shafie Apdal (UMNO Vice-President) from the Cabinet.
- During his opening remarks, Najib did not provide any new explanation regarding the 1MDB saga and the RM 2.6 billion donation. Instead, he emphasised the notion of loyalty to the leader and UMNO. Hinting at Muhyiddin's and Mahathir Mohamad's criticisms towards his leadership, Najib urged members to channel disagreements through the party's channel.
- This article questions whether Najib's stressing of loyalty to the leader is sufficient to regain UMNO members' confidence in his leadership. By contrast, playing up the Malay feudal notion of loyalty—which Najib cleverly couches in Islamic terms throughout his speech—could be a sign the Prime Minister is evading criticisms.



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² The author wishes to thank Dr Ooi Kee Beng for his comments on an earlier draft.

- The article argues that while Najib may stay on as UMNO president for now, his failure to answer accusations will make it difficult for him to regain popular support in general. The following year is crucial for the embattled Prime Minister, and Malaysians cannot be expected to accept responses like “under investigation” or “work in progress”.

INTRODUCTION

Political observers watched the 2015 UMNO general assembly with interest. On the one hand, Prime Minister Najib Razak, who is also president for UMNO, had to reunite the party, marred by the sacking of senior party leaders from the Cabinet and criticisms by former Prime Minister, Dr Mahathir Mohamad, who is also calling for Najib's resignation. On the other hand, many UMNO members hoped for their leader to clear the air on the 1 Malaysian Development Berhad (1MDB) saga and the RM2.6 billion donations found in his bank account.

Questions were also raised whether Najib is the right person to lead the party into the next general elections, which is expected to be held by early 2018. At the outset, this year's assembly is conducted without any major disruptions. RTM, Malaysia's mainstream media, telecasted Najib's opening speech live, and featured scenes of UMNO delegates standing up, cheering their leader on, and demonstrating unity behind the party leader. The steps taken by the UMNO Supreme Council in ensuring that the assembly proceeded smoothly seemed to have paid off. Najib's critics, Tan Sri Muhyiddin Yassin (Deputy Prime Minister) and Shafie Apdal (Rural and Regional Development Minister) had no role in this assembly, even though Muhyiddin is UMNO deputy president, and Shafie, one of three vice-presidents. Najib recently sacked both UMNO leaders from his Cabinet, because they violated the principle of collective responsibility. In fact, UMNO Supreme Council, in an unprecedented move, prevented the deputy president from officiating the Youth (*Pemuda*), Women (*Wanita*), and Women's Youth (*Puteri*) wings' meetings.

This article examines whether Najib's call for unity and loyalty will be enough to prolong his term as UMNO President. In its 70-year history, UMNO has experienced several splits, but each time the party had quickly reunited and won elections. This article argues that Najib's rhetoric, expressed during his opening speech, is no different from what his predecessors deployed, particularly Mahathir. The call for unity and loyalty showed the political culture in UMNO. Any potential disruption to UMNO unity is not tolerated: they include Muhyiddin's and Mahathir's criticisms of Najib. To be sure, harping on loyalty dismisses any attempts to understand the roots of the UMNO crisis, and it mainly sweeps problems under the carpet.

This article is divided in the following way. First, I discuss the ideology that unquestioning loyalty to the ruler is dominant in Malay society. Its history can be traced from the Malay feudal era, and continues to be apparent today. Second, I summarise how the notion of loyalty was played up during past UMNO splits. Third, I consider the 1MDB saga and RM 2.6 billion donations in the Prime Minister's bank account, and highlight whether there is a case for Najib to answer. Fourth, I delve into Najib's speech during the 2015 assembly, pointing out the extensive theme of loyalty to the ruler and its various manifestations. Last, I deliberate over the possible scenarios for UMNO, based on past splits in the party.

LOYALTY TO THE RULER

In 1979, Chandra Muzaffar wrote an interesting thesis entitled *Protector? An analysis of the concept and practice of loyalty in leader-led relationships within Malay society*.

Chandra pointed out that loyalty to the ruler was not only reflected during the feudal era (such as the Malacca Sultanate from 1400 to 1511), but continues to be an important political value in contemporary Malaysia. According to Chandra, “Unquestioning loyalty to the ruler meant carrying out his wishes and desires without questioning the motives behind his wishes or the rationality of his desires.”³ There were occasions in which the subject carried out the rulers’ wishes even though they “transgress moral values and ethical conduct.” Chandra added that in Malay feudal society, the subject felt the obligation to carry out unjust orders, failing which may invite the wrath of the ruler.⁴ So ingrained was the concept of unquestioning loyalty to the ruler in Malay feudal society that some Malays never resisted the ruler’s orders even if they could do so.

The concept of loyalty can be traced back to pre-Islamic Malay society, but it was strengthened with the arrival of Islam. The *Sejarah Melayu* (Malay Annals) details how Malay rulers appropriated Islam to strengthen the concept of unquestioning loyalty to the ruler. The text spells out the social contract between the ruler and his subjects: By order of Almighty God, he [the Ruler] shall not put his subjects to shame. If he does, that is the sign of the end for his kingdom.⁵ In return, the subject must pledge unquestioning loyalty to rulers, and obey them even if they are cruel or unjust. According to Shaharuddin, the pact between the feudal elites and Malay subjects contradicted Islamic philosophy, which spells out justice and obligations of leaders towards the masses. The concept of unquestioning loyalty also contradicts the concept of equality of men enshrined in the Quran, which also stresses accountability.⁶

Is this feudal concept of loyalty relevant in discussing Malay political culture in the 21st century? Past and current splits within UMNO demonstrates that the concept remains relevant. Evidently, the subject of loyalty was central to Najib’s speech in the 2015 UMNO General Assembly, which will be discussed shortly. The word loyalty was mentioned at least 16 times in the hour long speech. The fact that it evoked feudal sentiments is unsurprising. The late Professor Syed Hussein Alatas pointed out that “feudal psychology” continues to permeate contemporary Malaysian society, and one of the traits is the lack of distinction between private and business concerns. Other values that remain dominant include: the belief in hierarchy and obsession with titles; and fixation with wealth and grandeur. For Alatas, the relationship between political leaders and their followers manifest “psychological feudalism.” He suggests,

In the Malay feudal society, the most serious disturbance in the relationship between a subordinate and his superior was a challenge or a defiance. A challenge or defiance might lead to an outbreak of hostility or it might not. Even if a challenge or defiance occurred outside the struggle for political power, it could lead to serious consequences. A subordinate might challenge the soundness of his superior’s decision, or a follower might reject the leader’s

³ Chandra Muzaffar, *Protector? An analysis of the concept and practice of loyalty in leader-led relationships within Malay society*, (Pulau Pinang: Aliran, 1979), p.7.

⁴ Chandra, p.9.

⁵ Shaharuddin Maaruf, *Malay Ideas of Development: From Feudal Lord to Capitalist* (Malaysia: SIRD, 2014), p.5.

⁶ Shaharuddin, p.6.

views. The adoption of such an attitude would be met with determined resistance.⁷

LOYALTY IN PAST UMNO SPLITS

In 1951, UMNO witnessed its first split when party founder, Dato' Onn Jaafar, resigned from the party. UMNO members rejected Onn's proposal to open up the party to non-Malays. Onn's brand of nationalism also did not match several UMNO leaders preference for reverence to Malay rulers, especially that which was championed by Tunku Abdul Rahman, a Kedah prince who would succeed him as UMNO president. The Malay rulers also disliked Onn because they saw him as trying to bypass royalty in making several appointments in the service without their consent: such as Onn's push for a Malay to be appointed Deputy High Commissioner, which meant that a Malay would acquire a position that was above the Malay Rulers; his request for government servants to participate in politics; and his demand that all schools use English or Malay medium.⁸ In his departing address to the party, Onn said that the rulers had let the Malays down.

After the 13 May 1969 riots, UMNO split for the second time. The Malay ultras in the party, such as Mahathir, were disgruntled with Tunku's leadership, and pressured him to resign. Mahathir led a campaign to oust the Prime Minister, for not looking after the welfare of the Malays. Mahathir wrote a letter urging the leader to quit, an act of disloyalty by feudal standards, and the letter was distributed among party members. Mahathir also published the *Malay Dilemma*, which was later banned by the government. In 1970, Tunku eventually resigned, and his deputy, Tun Abdul Razak, took over as Prime Minister.

In 1986, the third split in UMNO occurred. Musa resigned as Deputy Prime Minister to Mahathir, even though he chose to stay on as UMNO deputy president.⁹ During the 1987 assembly, Musa joined Tengku Razaleigh Hamzah in challenging Mahathir for UMNO's top posts. Mahathir, and his running mate Ghaffar Baba, won marginally. During the fierce campaign, Mahathir claimed that those who challenged his leadership were breaking the party's practice, and causing Malay disunity.¹⁰ UMNO was divided in two unofficial camps: Team A, headed by Mahathir-Ghaffar; and Team B, by Razaleigh-Musa. Team B included several high-profile UMNO members and Cabinet Ministers such as Shahrir Abdul Samad, Zainal Abidin Zin, Radzi Sheikh Ahmad, and Rais Yatim. Mahathir won by a 761-718 margin against Razaleigh, while Ghaffar defeated Musa by 739 to 699. For their disloyalty, Team B supporters either had to resign from the Cabinet, or were expelled by Mahathir. The Prime Minister then promoted his own supporters.

The removal of a "disloyal" party member was also seen during the 1998 split. On 2 September 1998, Mahathir sacked Anwar Ibrahim as Deputy Prime Minister, and also

⁷ Syed Hussein Alatas, *Modernization and social change: Studies in modernization, religion, social change and development in South-East Asia*, (Australia: Angus and Robertson Publishers, 1972), p.107.

⁸ John Funston, *Malay Politics in Malaysia: A Study of UMNO & PAS*, (Kuala Lumpur: Heinemann Educational Books, 1980), p.83.

⁹ This is a similar scenario experienced during the Najib-Muhyiddin conflict. Traditionally, the Deputy President of the UMNO is the Deputy Prime Minister of Malaysia.

¹⁰ Gordon P Means, *Malaysian Politics: The Second Generation* (Singapore: Oxford University Press, 1991), p.203.

rallied the UMNO Supreme Council to remove him from the party. Mahathir, to be sure, denied that Anwar's removal was because of disloyalty. In his memoirs, Mahathir said, "The belief that I dismissed him because I was afraid he would oust me is without basis. I dismissed him for two reasons only: he was unsuitable to continue serving in the Government and he was unsuitable to succeed me as Prime Minister."¹¹ Interestingly, before his sacking, Anwar tried to prevent media speculation of a rift between him and Mahathir, and said he remained loyal to the leader.¹² During the UMNO general assembly in 1998, two months before the Anwar sacking, Mahathir remarked that he was happy for Anwar had declared his loyalty to the leader.¹³

In 2009, another split in UMNO happened. The National Front (BN) coalition performed poorly in the 2008 elections and the undercurrents calling for Abdullah's resignation were strong. Mahathir even quit UMNO, calling for Abdullah to step aside. For his disloyalty to the party, UMNO members close to Abdullah led a smear campaign against the former Prime Minister. They even prevented him from speaking to UMNO members. Several cabinet ministers, including then UMNO Vice-President Muhyiddin Yassin later urged Abdullah to resign. Abdullah gave in and handed over power to his deputy, Najib Razak.

CRITICISMS TOWARDS NAJIB

The crux of the 1MDB saga is the colossal debt the investment firm has incurred. The government set it up to develop Kuala Lumpur into a financial hub, among other things. In 2014, 1MDB's debt had amounted to as much as RM 42 billion.¹⁴ The 1MDB is an expansion of the Terengganu Investment Authority, in which Low Taek Jho (known as Low Jho), a 33-year-old Chinese entrepreneur, was an advisor. In February 2015, *The New York Times* published an article highlighting Low Jho's lavish lifestyle: such as his partying with Paris Hilton. The article also mentioned Riza Aziz—Low's friend and Najib's stepson (Rosmah's son from her previous marriage)—who is a film producer, with films such as *The Wolf of Wall Street* to his name.¹⁵ There were reports showing Riza have links with Low.

The root of 1MDB's problems was its loss-making investments: such as the buying of ageing power plants for an overpriced amount of RM 18 billion. In July 2015, the *Wall Street Journal* reported that RM \$2.6 billion, allegedly from 1MDB, had been transferred into the Prime Minister's bank account.¹⁶ Najib denied that the money came from 1MDB,

¹¹ Mahathir Mohamad, *A Doctor In The House: The Memoirs of Tun Dr Mahathir Mohamad*, (Selangor: MPH Publishing, 2011), p.687.

¹² Barry Wain, *Malaysian Maverick: Mahathir Mohamad in turbulent times* (Great Britain: Palgrave Macmillan, 2009), p.288.

¹³ Closing Address of 52 UMNO General Assembly on 21 June 1998.

<http://www.pmo.gov.my/ucapan/?m=p&p=mahathir&id=633> (Date Accessed: 14 December 2015).

¹⁴ Reme Ahmad, "1MDB saga: a tale of debt, money trails and allegations," *The Straits Times*, 25 July 2015, <http://www.straitstimes.com/asia/se-asia/1mdb-saga-a-tale-of-debt-money-trails-and-allegations>

¹⁵ Louise Story and Stephanie Saul, *The New York Times*, "Jho Low, Well Connected in Malaysia, has an Appetite for New York," http://www.nytimes.com/2015/02/09/nyregion/jho-low-young-malaysian-has-an-appetite-for-new-york.html?_r=0, 8 February 2015. (Date accessed: 14 December 2015)

¹⁶ Tom Wright and Simon Clark, Investigators Believe Money Flowed to Malaysian Leader Najib's Accounts Amid 1MDB Probe, *The Wall Street Journal*, 2 July 2015,

and insisted they were political donations from Middle East donors. The identity of the donors have yet to be revealed, although Malaysia's anti-corruption commission pointed out that it has identified all donors.

The chief critic of the Prime Minister has been none other than Mahathir. In his blog, Mahathir highlights the poor strategic choices made by 1MDB, including the buying of assets at higher prices than market value. Mahathir also raised questions about the political donations into Najib's account, arguing that if it was for UMNO, then the amount must be declared under the Societies Act. He also asked if money borrowed to save 1MDB was done in the Malaysian ringgit, since the recent huge devaluation of the currency would mean that 1MDB would have to pay creditors more.¹⁷ The Prime Minister was expected to respond to Mahathir's criticisms, and the best platform for that would have been the UMNO General Assembly.

UMNO GENERAL ASSEMBLY 2015

The 2015 assembly was shrouded with questions regarding the 1MDB saga, the RM 2.6 billion donation into Najib's account, and the removal of Muhyiddin Yassin as deputy prime minister. Also, Mahathir insisted that Najib should step down in order to prevent UMNO from losing in the next elections, due by early 2018. Unsurprisingly, during his opening remarks, Najib defended his legacy, denied any wrongdoing, and staged an attack on Muhyiddin and Mahathir. He did not offer any new explanation on 1MDB and RM 2.6 billion donation, insisting that they were in line with the law, no losses were incurred, the 1MDB debts were being cleared up, and that he could not reveal much because the matter was currently under investigation. Rather than provide details, Najib reminded UMNO delegates of the importance of loyalty to the party (mainly to him) and the need to unite. Najib delivered a fiery speech during the opening of the assembly by reminding delegates about the meaning of loyalty in Islam, and even quoted from the Quran:

In Islam, based on the Quran and verified hadiths, the majority of ulama (Islamic scholars) hold the view that loyalty means being loyal and showing love to the leaders and the institution of leadership.¹⁸

He then claimed that the principle of loyalty is enshrined in Malay feudal history. Even in old Malay history, there was mention of loyalty, to the top leadership. Following that, Najib pointed out his loyalty to past UMNO leaders, particularly Mahathir. He said,

In fact, almost everyone who has been involved in the country's politics know that...it is in fact noted in the history of this party that, this Najib Razak, in 1987, I was also at the political crossroads to side with the UMNO leadership at that time, and with absolute love and respect, chose to remain loyal to the leadership of Tun

<http://www.wsj.com/articles/SB10130211234592774869404581083700187014570> (Date accessed: 14 December 2015)

¹⁷ See Mahathir's blog posting, "1MDB Clarifies," <http://chedet.cc/?p=1931> (Date Accessed: 14 December 2015)

¹⁸ Najib's speech at UMNO General Assembly 2015, <http://english.astroawani.com/politics-news/najibs-speech-umno-general-assembly-2015-full-text-84645> (Date Accessed: 11 Dec 2015).

Dr Mahathir, who was defending his position then as UMNO president, thus retaining him as Prime Minister.¹⁹

He then reminded delegates, clearly referring to Muhyiddin, that the role of UMNO deputy president was “to assist in the duties of the President.” According to Najib, any form of criticism should be kept internal and surfaced through proper party channels. He then quoted the view of Dr Sulaiman Saloomi, a Fatwa Council member of the Grand Mosque in Mecca, Islam’s Holiest Mosque, that it was unlawful to overthrow the government. It was also wrong to overthrow the government through street demonstrations. Najib’s use of the notion of unquestioning loyalty to the ruler is similar to how religion was utilised by the Malay ruling class in the past. Many would claim that in Islam, ordinary citizens have the right to question leaders.

Najib warned UMNO delegates of arrogance among the opposition parties, particularly the Democratic Action Party (DAP). He said that DAP had in fact severed ties with Islamic Party of Malaysia (PAS), especially in Sarawak. The mention of Sarawak is significant here because the state will be holding its legislative elections in 2016. Should UMNO fail, Najib then warned, then the DAP would take in power. The language he used was particularly interesting: Najib depicted the choice for voters to be between a party that protected Islam, and a party that was against Islam. According to him, “Looking at the Islamic window and the Islamic struggle by UMNO, for decades, this party, has played a key role in upholding the sanctity of Islam, which meets the demands of Maqasid Syariah (the objectives of Islamic law) concept.”²⁰

He then warned that UMNO’s struggle would be destroyed if the party did not stay united. He then shouted onto the microphone twice, “No retreat! No surrender!”, and then offered an olive branch to PAS, calling them to unite with UMNO to protect Islam.

A FIERY SPEECH THAT ANSWERS ANYTHING?

Najib’s 2015 UMNO assembly speech did not still doubts about his leadership, and was largely demagogical. He dedicated only five lines to a divisive issue involving billions of ringgit, and repeatedly claimed that the 1MDB issue was being resolved. He suggested that through the sale of EDRA, 1MDB’s debt had been reduced by RM 17 billion. On the RM2.6 billion, he claimed that Deputy Prime Minister Ahmad Zahid Hamidi had answered that in parliament and that the money was not from 1MDB. Questions as to why the donation was made, and if there were strings attached to the purported donations were not answered. Instead, Najib simply declared that “I am on the side of right, and the truth will prevail.”²¹ Najib also declared himself a gentleman, and was willing to make amends with Muhyiddin.

¹⁹ Najib’s speech at UMNO General Assembly 2015, <http://english.astroawani.com/politics-news/najibs-speech-umno-general-assembly-2015-full-text-84645> (Date Accessed: 11 Dec 2015).

²⁰ Najib’s speech at UMNO General Assembly 2015, <http://english.astroawani.com/politics-news/najibs-speech-umno-general-assembly-2015-full-text-84645> (Date Accessed: 11 Dec 2015).

²¹ Najib’s speech at UMNO General Assembly 2015, <http://english.astroawani.com/politics-news/najibs-speech-umno-general-assembly-2015-full-text-84645> (Date Accessed: 11 Dec 2015).

Malaysian national television and the UMNO-owned newspaper *Utusan Malaysia* carried reports that the party is behind Najib. Moreover, UMNO supreme council members publicly showed their support towards the embattled Prime Minister. After Najib's speech, Azalina Othman, a Supreme Council member, opined that UMNO members critical of party leaders should just leave because they were helping the opposition. Stressing the importance of loyalty in the past, she said, "If you are a party member, you have to be disciplined. Your discipline is staying united, believing in what's being informed (by the leadership) and take it as it is."²² Defence Minister, and one of UMNO's vice presidents, Hishammuddin Hussein, also urged critics to put the party's interest first and personal ones second.²³

Be that as it may, videos were posted online showing UMNO youths, and women's wing members cheering as Muhyiddin and Mahathir arrived to attend the UMNO general assembly. Najib's failure to address the controversies may led to this disgruntled camp growing stronger, and Muhyiddin has pledged to continue pressing Najib for answers. While Najib may have survived this year's assembly generally unscathed, how he plans to improve UMNO's image in the coming year is unclear. For now, the call for unity and unquestioning loyalty to the leader may be paying dividends. However, many observers that that questions raised by Mahathir on his blog, chedet.cc,²⁴ are valid and need to be answered.

The call for unity and loyalty to the leader also has an expiry date. As for Najib's offer for PAS to unite with UMNO, early signs show that the Islamic party is committed to remain in the opposition, and to co-operate with PKR (People's Justice Party), if not DAP. PAS leaders have stated that UMNO must accept their position on Islam before they can co-operate with UMNO. In the PAS newspaper *Harakah* (dated 14-17 December), party president Abdul Hadi Awang said that "PAS would like to make a request [to UMNO], that this is the best time for UMNO to come back to Islam and live an Islamic way of life in all aspects of its struggle, in politics, social, and economy."²⁵ The *Harakah* edition also featured several PAS leaders' responses to Najib's call for unity, which generally showed that they were not inclined to accept it.

²² The Malaysian Insider, "Critical Umno members should just leave, Azalina says," <http://www.themalaysianinsider.com/malaysia/article/critical-umno-members-should-just-leave-azalina-says> (Date Accessed: 14 December 2015).

²³ See *New Straits Times*, "Hishammuddin: There's only one way for Umno to heal," (Date Accessed: 14 December 2015) <http://www.nst.com.my/news/2015/12/116720/hishammuddin-theres-only-one-way-umno-heal>.

²⁴ See <http://chedet.cc/>

²⁵ *Harakah*, "Syariat Islam Asas Penyatuan Ummah," 14-17 December 2015.

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