Political Change and Institutional Rigidity in Malaysia: Is There a Way Out?

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INTRODUCTION

There is a highly coherent narrative demanding for political reform in Malaysia. Since the onset of the financial crisis in 1998, change agents are calling for an overhaul of Malaysia’s social, economic and political institutions. They demand a new modus operandi asserting that sixty years of uninterrupted Barisan Nasional (BN) rule has resulted in deterioration in the quality of governance. Issues of state patronage, underperformance of the bureaucracy, quality of leadership, integrity, transparency and corruption continue to plague the state. In making their demands reformists are calling for a small state, a more qualified state power, greater equality, meritocracy and toleration of beliefs.

Calls for regime change became more strident in the year 2015, a year that saw Prime Minister Najib Razak fighting for his political life after being at the centre of two financial scandals involving investment decisions of state-owned investment agency 1MDB and the deposition of RM2.6 billion into his private account. The twin scandals merely confirmed many of the rapid deterioration of Malaysia’s institutional quality. At its height, the scandals threatened to unravel the BN, specifically UMNO - the largest component party in the BN coalition after two senior ministers fell out of favour and were left out of Najib’s new cabinet line-up. Reformists also had the most unlikely of allies in former premier Dr Mahathir Mohamad after the latter became the most vocal critic demanding for Najib’s resignation. Mahathir resigned from UMNO and spearheaded the “Save Malaysia Campaign” that saw him joining hands with main opposition leaders to call for Najib’s resignation.

Despite the unceasing calls by change agents for a new political, social and economic arrangement, political reform has not been of seismic or transformational proportion that many had come to expect. Reform continues to be elusive. Why are calls for better state efficiency, improved governance, greater transparency and integrity and the exercise of meritocracy seemed incapable at mobilising change? How should agents approach change? Are there preconditions before ideas can make for political change? Will Malaysia see political change on the scale that many are hoping for?

This article views that substantive political change remains elusive because there are strong tendencies by all parties - including change agents - to preserve Malaysia’s institutional quality. Malaysia’s political economy remains hostage to an institutional quality that is a
product of the country’s historical process. The paper will demonstrate how path dependence and increasing returns continue to see change agents investing in the maintenance of exclusive institutions. In spite of their strong and persistent nature reform efforts have preserved these institutions contributing to institutional rigidity.

The paper will first explain the terms institutions and path dependence before describing Malaysia’s mutually exclusive institutions specifically political parties. The next part of the paper will provide a chronology of events to describe various efforts at political change since the Asian financial crisis, the purpose of which is to demonstrate that efforts at political change did not materialise because rather than attempt to diminish, eliminate or bridge Malaysia’s many exclusive institutions, change agents end up reinforcing or entrenching these institutions. Before concluding, the paper will address the possibilities of political change, reemphasising the point that change efforts must attempt to bridge, eliminate or dilute Malaysia’s many mutually exclusive institutions.

THE MEANING OF INSTITUTIONS

Institutions are humanly devised constraints that structure political, social and economic interactions. They include both formal and informal constraints like law and property rights as well as sanctions like taboos, tradition and codes of conduct (North, 1990). They are building blocks of social orders and constitute social sanctions that collectively enforce expectations on actors with regard to behaviour and performance. Institutions help us distinguish between appropriate and inappropriate, right and wrong, possible and impossible actions and thereby organise behaviour into predictable and reliable patterns. We organise our ideas, articulate our views, interact on social networks and interpret events using various institutional lenses.

Malaysia’s historical processes have created mutually exclusive sets of institutions which, initially, were responses to a highly plural polity. Ethnicity more than class has defined the quality of these exclusive social, political and economic institutions. By mutually exclusive institutions we mean institutions that promote particular ideas, value system, organising principle or what are deemed as appropriate and inappropriate behaviour that in aggregate foster the tendency on the part of its members to remain exclusive. Schools, universities and think tanks, workplaces, religious beliefs, social class organisations, political parties, and
labour unions have the tendency to promote a particular set of behaviour, values or organising principle to retain exclusivity. It is important to add that institutions need not be exclusive if there are continuing efforts to provide for the inclusion of values or membership that reduces or eliminates exclusivity.

How do we explain institutional exclusiveness? Central to institutional perpetuation is the idea of path dependence. Sewell (1996) defines it as “what happened at an earlier point in time will affect the possible outcomes of a sequence of events occurring at a later point in time.” Path dependence can also be defined as “those historical sequences in which contingent events set into motion institutional patterns or event chains that have deterministic properties.” Levi (1997) perhaps provides a more lucid description of path dependence when she describes that once a state “has started down a track, the costs of reversals are very high.” Path dependence, she says, entrenches certain institutional arrangements that effectively “obstruct an easy reversal of the initial choice.”

Social, political and economic institutions are stuck on a path dependent mode because once an initial choice is made, self-reinforcing mechanism sets in where “each step in a particular direction makes it more difficult to reverse course.” It is not that taking a reverse course is impossible but rather, reversal is made increasingly difficult because the cost of reversal increases over time given actors’ investment on resources. Perhaps two most important works that deconstruct the logic of path dependence are the ones carried out by economic historians Paul David (1985) and Brian Arthur (1994). Arthur (1994) describes four self-reinforcing mechanisms that encourage path dependence. They are large set up costs, learning effects, coordination effects and adaptive expectations. He suggests that initial choice gets hard wired within an institutional setting and thus makes it harder for existing institutions to adopt alternative ways or technology. For example, we continue to invest in Microsoft operating system or the “QWERTY” keyboard because we first choose to adopt it and second we continue to invest in it because doing so reduces transaction costs.

Given such definitions it is obvious to draw the conclusion that path dependence seems to suggest that change is impossible and that the state is stuck by the type of institutional sets it inherits. This is not entirely true. Streeck and Thelen (2005) work on institutional change and path dependence demonstrates that institutions do change when there are inherent ambiguities and gaps that exist by design or one that emerges over time between institutions and actual
implementation\textsuperscript{9} and that there are different typologies to making institutional change. They maintain that change is far from drastic describing that "rather than abrupt and discontinuous, transformative change often result from an accumulation of gradual and incremental changes (p.19).\textsuperscript{10} In the case of Malaysia, change is neither transformational over the short term nor has change been substantive over the long term period when one considers that efforts at political change started in earnest in 1999. What would be obvious in the case of Malaysia – which is elaborated below – is that change agents have not been able to invest in strategic policies and incremental changes that would allow for change over the long term. Put differently, change agents continue to invest and perpetuate Malaysia’s many exclusive institutions because these actors continue to enjoy dividend or returns from preserving such institutions. We describe now the nature and perpetuation of Malaysia’s varied exclusive institutions that make change difficult.

**MALAYSIA’S EXCLUSIVE POLITICAL PARTIES**

Political parties in Malaysia breed ethnic exclusivity.\textsuperscript{11} The birth of ethnically-linked parties during Malaysia’s founding years before independence (United Malays National Organisation [UMNO], Malay(si)an Chinese Association [MCA and Malay(si)an Indian Congress [MIC]) and the continued hold on power by an UMNO-led coalition and the increasing returns reaped by the coalition from more than 50 years of rule have perpetuated and reinforced exclusive institutions mainly along ethnic lines. Unlearning and relearning new organising principles remain problematic due to huge cost. Past efforts to do so have all failed. In the early 1950s, Onn Jaafar the founder of UMNO resigned from the party to set up the Independence Malaya Party (IMP). In IMP, Onn attempted to break Malayans’ preoccupation with communal politics by hoping to draw multi-ethnic membership and support. Despite Onn’s best intentions, Malayans were not prepared to do away with mutually exclusive institutions. The IMP lost heavily in various municipal elections held between 1952 and 1953. The party won only 3 seats as opposed to the UMNO-MCA alliance which won 94 out of 119 seats. The heavy defeat saw the IMP ceasing operations in 1954.

There are other examples of parties modelled after the IMP; they ended up either being absorbed by larger parties and or morphed into ethnic-based parties. The *Parti Gerakan Rakyat Malaysia* (Gerakan), the *People’s Progressive Party* (PPP) and *Parti Socialist Malaysia* (PSM) were setup on non-communal grounds. Both Gerakan and PPP chose to be
part of the BN coalition with the GERAKAN appealing to Chinese electorates and the PPP endearing to the Indian community. The PSM was founded on socialist democratic principle and suffered from narrow support base. The party eventually merged with Parti Keadilan to form Parti Keadilan Rakyat (PKR).

Decoupling political party’s struggle from ethno-religious concerns remains problematic. Parties like UMNO, Pan-Malaysian Islamic Party (PAS) and Democratic Action Party (DAP) are not willing to move beyond ethnic concerns because of the need to preserve exclusive institutions. While UMNO has made known its exclusiveness by only allowing membership to bumiputeras (and this include non-Malay bumiputeras in Sabah), PAS has thus far failed to draw non-Malays/Muslims as affiliated members because of the tendency of the party and its members to maintain its identity. In the same way, the DAP claims to be a social democrat party that is opened to all ethnic groups but its top party leaders readily admits that the party struggle to shed its Chinese image and that for the party to be a Malaysian party (and hence shed its exclusive image) it needs to attract Malays into its rank. The party also admits that it faces internal resistance from its members when party leaders moot the idea to raise Malay membership to fifty percent. Put simply, ethnicity and increasingly religion is hardwired in Malaysian society reinforcing exclusive institutions.

Without doubt, Malay, Islam and Monarchy are also key institutions that continue to define Malaysia’s political economy. Not every Malaysians have come to agree with this but the reality is that Malay, Islam and Monarchy continue to shape the country’s social, political and economic landscape. Any effort at political change must take into account these givens. Failure to do so will result in two things; first, it will frustrate and nullify any change effort and second - and even worst – change agents would end up entrenching and ossifying mutually exclusive institutions that will only complicate future efforts at change. There are examples how efforts at change became nullified and worsened the prospect for change.

Take the issue of the Islamic state. The issue was made fresh when Dr Mahathir declared in an UMNO assembly that Malaysia was an Islamic country. Mahathir’s statement was in fact part of an effort to win back the Malay electorates after Malays voted overwhelmingly for PAS in the 1999 elections. The issue though touched on fundamental institutions – Islam and Malay – and evoked very strong opinions long after 2001. The discussions that ensued raised fear and insecurity on the part of the Malay-Muslims and non-Muslims, deepening the trust
deficit and making reconciliation difficult. Clearly, the issue forced Malaysians to take extreme positions that only reinforced mutually exclusive institutions. Issues like the Islamic state ossify mutually exclusive institutions and make political change much more daunting a task. It encourages civil society groups, particularly ethnic and religious groups, to take on extreme ethno–religious stance. Malays insecurity on the position of Islam, Malay and Monarchy for instance produced the likes of PERKASA and ISMA, two right-wing Malay groups that called on Malays to reject the idea of a secular state. The issue also provoked non-Muslim response. In the lead up to the 2008 election, the Hindu Rights Action Force (HINDRAF) called for the respect and protection of Hindu temples. The Malaysian Council of Churches called on Christians to vote wisely. The Malaysian Consultative Council on Buddhism, Christianity, Hinduism, Sikhism and Taoism also called on members to vote for candidates that can promote freedom of religion. Suffice to say, issues that tested the idea of Malay and Islam almost always aggravate intolerance, deepen the chasm of distrust between ethnic constituents and only strengthen existing exclusive institutions.

To sum up, change ideas – be they promotion of greater transparency, accountability, good governance and tolerance - must take into account the presence of Malaysia’s mutually exclusive institutions as these institutions continue to shape the country’s social, political and economic landscape. The challenge for any change agent is to promote change that acknowledge these institutions yet find creative ways to bridge or mitigate these institutions. Thus far, change agents have been struggling to negotiate these parameters. On most occasions they tried to effect change by indulging in double-talk which only reinforces exclusive institutions. For example, in initiating change, agents play to the gallery, committing one thing to one audience and promising another to a different audience. UMNO leaders talk on preserving Malay special rights and Islam during UMNO general assembly yet maintain the ideals of toleration of values and beliefs as a truly Malaysian agenda to another. PAS talks on equality and toleration of beliefs to one audience yet maintains its Islamic state ideals to another. DAP speaks of meritocracy, equal opportunity and toleration of beliefs, yet maintains a hard stance on Islam and by its party leaders’ own admission struggles to have Malay members in its executive council.

Is change possible given such institutional settings? The past fifteen years or so saw Malaysians pushing for change but the pace of change is far from the transformation that
many had come to expect. We look now at the chronology of events and the various initiatives to bring about change.

**VOICES OF CHANGE AND LIBERAL IDEAS**

While many see Malaysia’s 12th General election in March 2008 as the political tsunami that kick started political change, the push for change has its beginnings at the height of the Asian financial crisis in 1997. Since the crisis, politics in Malaysia is no longer business as usual. The crisis disrupted Malaysia’s impressive development trajectory and unearthed the many inadequacies of its growth model. It revealed the weaknesses of strong state-business linkages, patronage, rentier capitalism and a restrictive political arrangement that gave rise to issues of transparency, democratic governance and accountability. The crisis also raised concerns about the qualities and efficacies of Malaysia’s various social, political and economic institutions.

The inadequacies exerted substantive stress on existing political arrangements which quickly became points of contention by elites. Dr Mahathir Mohamad’s brand of developmental model and his authoritarian style of leadership - previously tolerated and legitimated mainly because of Malaysia’s impressive economic growth - came under heavy scrutiny. His sacking of once trusted deputy, Anwar Ibrahim, sparked more questions on his leadership. Indeed, Anwar’s sacking shifted public opinion and catalysed the push for change as in Anwar many saw an advocate of change. To many Anwar’s removal and his subsequent arrest indicated that Malaysia’s problems run deeper than thought.

The arrest of Anwar on charges of corruption and sodomy set the stage for Malaysia’s ongoing effort at change. Anwar started the “reformasi” movement mirroring similar movement in neighbouring Indonesia which had successfully toppled the Suharto regime. Reformasi brought a different brand of politics to Malaysia. In uncharacteristic fashion, Malaysians took to the streets to fight for Anwar’s cause and spoke the language of change, the scale of which was unheard of in the history of modern Malaysia. *Korupsi, Kronisme and Nepotisma* (KKN) (Corruption, Cronyism and Nepotism) became the chant for change. Civil society agents (CSAs), political parties, and the media joined hands to form a new coalitional capital and collaborated to make for a sustained change. In the years that followed demonstrations, which were mainly concentrated in the Klang Valley area, became a feature
of post crisis Malaysia. The more the state interfered with the show of change, the more people were convinced that taking to streets would be a sure way to effect change. The *reformasi* movement made a huge dent to the confidence of the Mahathir administration. The movement changed an otherwise politically apathetic population and put the BN led government under heavy scrutiny. The impact of the *reformasi* movement was felt in the 1999 general election which was one of the more bruising elections for the BN especially for the UMNO. The coalition suffered a sharp drop in popularity securing only 56.5 percent of the votes against the opposition alliance, the *BA’s* 40.3 percent. The election also saw Malay voters deserting the UMNO for PAS, obviously disenchanted with the way the Mahathir-led administration handled the Anwar case. For the first time since 1959 PAS took control of the Terengganu state government as well.16

The pace of change slowed after the 1999 election. Anwar’s imprisonment on corruption charges and the Mahathir administration clampdown on opposition members took the fizzle out of the *reformasi* movement. A recovering economy also gave less reason to pursue the change agenda. The dissolution of the *BA* - two years after the 1999 election - also put the brakes on change. BA disintegration came after PAS and DAP could not come to an agreement over fundamental issue.17 Both parties needed to please their political constituents and make good on the promises they made during the election. After clinching huge wins in Kelantan and Terengganu in the 1999 election, PAS had to honour their promises and defend its Islamic relevance. The DAP, on the other hand, did not want to be in cahoots with PAS’s Islamic agenda and needed to shore up support from Chinese and non-Malays constituents. In their bid to remain relevant, both PAS and DAP had to pander to ethno-religious imperatives which unwittingly reinforced mutually exclusive institutions.

**THE ABDULLAH ADMINISTRATION AND MORE PUSH FOR CHANGE**

Despite the setbacks, the push for change continued. The handover of BN leadership from Dr Mahathir to Abdullah Badawi quickened the pace for change. In fact, the Abdullah administration became part of the change process. Abdullah was a reformist and brought a different style to government. He did away with Mahathir’s major infrastructural projects on grounds that Malaysia needed fiscal discipline. Abdullah introduced the idea of collective responsibility and inclusiveness. Labelled as a “nice” guy, Abdullah was consultative, open and ever willing to share the political stage with others. He provided space for political
change which encouraged calls for greater accountability, transparency, fairness, justice growing louder.

Under the Abdullah administration, Malaysians witnessed cases of financial scandals and serious breaches of public trust involving high profile political figures which only confirmed the many rumours of mismanagement during Mahathir’s time in office. One famous case involved VK Lingam. A video was released by Anwar Ibrahim that showed Lingam - a lawyer and corporate figure - having a phone conversation discussing the appointment of judges and how he could influence court outcomes. The case went viral and shook public confidence. Lingam’s case was brought before a Royal Commission of Inquiry (RCI) and its report confirmed the extent of Malaysia’s state of corruption. There were other cases involving high profile figures. They included the former land and cooperative development minister Kasitah Gadam and Perwaja Steel’s former Chief Executive Eric Chia on charges of breach of trust. It was also during Abdullah’s premiership that Malaysians were greeted with the gruesome murder of a Mongolian woman Altantuya Shaaribu in which two senior police officers together with a close aide of Najib Razak were charged. The two senior police officers were eventually found guilty but not Najib’s close aide. The Altantunya case grabbed headlines and threw up multiple versions of stories relating to Malaysia’s defence procurement procedures. The effervescent Rafidah Aziz, the Minister of Trade and Industry was also not spared. She was hauled up for public scrutiny after being accused by Dr Mahathir of endorsing Approved Permits (APs) - which are permits to obtain dealership of imported cars - to members of her family. Rafidah cleared her name after Abdullah Badawi requested that she released a full list of all AP holders to quell public disquiet. Despite being cleared of the accusation, the revelations only fuelled public disenchantment and raised the appetite for change.

Toward the end of his second term in office, Abdullah Badawi was also not spared of charges. Dr Mahathir criticised the Abdullah administration for indecisiveness and going back on many of the infrastructural projects that were approved during his time. He took issue with Abdullah’s purported dealings with businessman Patrick Lim in the latter’s bid to develop Penang Global City Centre (PGCC) and also rebuked Abdullah for his appointment of back room boys (fourth floor boys) which included his son-in-law who Mahathir claimed to be making decisions on policy matters. Abdullah denied all those charges calling them baseless and unsubstantiated. But these political rumblings created a huge dent on public
confidence. In a period where change was very much a central theme, no matter how the ruling BN regime attempted damage control the public were left unconvinced. BN’s led government legitimacy became a serious issue. Pak Lah’s final months in office saw two large scale demonstrations; the first was organised by BERSIH (Coalitions for Free and Fair Elections) and the second by the Hindu Rights Action Force or HINDRAF. Both were held within two weeks of one another and took place toward the tail end of Pak Lah’s five year term in office. BERSIH organised its first rally on 10 November 2007 about four months before the March 2008, calling for electoral reforms and free and fair election. BERSIH’s first rally was path breaking. For the first time in post-independence Malaysia, a social movement was able to mobilise between 10,000 and 40,000 Malaysians. Two weeks after the BERSIH rally, HINDRAF held its rally on 25 November 2007. The rally saw a turnout of nearly 20,000- 50,000 people. In the rally, HINDRAF filed a class action lawsuit against the government of the United Kingdom for US$4 trillion as compensation for transporting Indians from India and leaving them unprotected at the mercy of Malays in Malaysia.18

The rapid use of the internet, the growth of alternative media and the release of Anwar Ibrahim in 2004 saw the Abdullah’s administration coming under even intense pressure. If Pak Lah thought that his new political openness and inclusiveness would shore up support for the BN it did little to help. Change agents, under Anwar’s Ibrahim charismatic leadership, kept up the momentum of change which gathered pace before the general election in March 2008. Anwar’s leadership, an active alternative media and the numerous unresolved scandals involving public figures saw the BN losing the moral high ground. Not surprisingly, BN suffered its biggest setback in the election on March 2008. The party lost control of 5 states and was denied the two-third majority. BN’s dismal showing in the March 2008 General Elections forced Abdullah Badawi to make way for Najib Tun Abdul Razak as the country’s next premier.

THE 2008 GENERAL ELECTIONS AND THE PROMISE OF CHANGE

The convincing wins in five states in the election saw opposition parties deciding to form yet another alliance, this time called the Pakatan Rakyat (PR). Emboldened by their impressive win the PR stepped up their efforts to make change a reality. The period 2008 - 2013 saw a more assertive and consolidated opposition alliance. The calls for change grew unabated, in fact they got louder nearer to the next election. The period also saw Anwar Ibrahim mounting
a serious challenge to take over leadership from the BN. Anwar claimed that the PR had the numbers to form the government saying that he had convinced enough BN members of parliament to back a PR-led government. That did not materialise. The Perak crisis also echoed the strong winds of change. The crisis came after 3 PR members from Perak state assembly decided to switch allegiance which then gave the BN a simple majority to take control of the state back from the PR. The episode sparked a constitutional debate with the PR leadership claiming that the changeover of power was unconstitutional. The scuffle in the Perak State legislative assembly was embarrassing and unheard of in Malaysian history. The episode sent the mood for change a notch higher.

**MEDIA AND THE PUSH FOR CHANGE**

It will be a huge disfavour to the movement for change if we exclude the role of the media. Information is tightly controlled in Malaysia. Other than allowing news that promote nation-building and cohesion, media in the state are not given latitude for “critical engagement or freedom of information”.\(^{19}\) Existing print media and broadcast media have long been the preserve of the establishment. Malaysia’s main print and broadcast media are owned by the BN regime through holding companies linked to the party. International assessment on Malaysia’s media freedom is far from encouraging, with Freedom House giving Malaysia a score of 64 out of 100 and Reporters Without Borders ranking Malaysia as 122 out of 178 countries.\(^{20}\) Indeed, given information restrictions imposed by the state’s various regulations and the state-run media, the drive for change was given a shot in the arm by the rise of new alternative media.

The internet and new media changed Malaysia’s political landscape. Post-Asian crisis Malaysia saw a more vocal and combative new media ever willing to reveal the latest scandals involving the ruling regime. Online portals became an instant hit. The first online portal that rode on Malaysians’ exuberance for change was *Malaysiakini* which was set up in October 1999 just in time for the General Election that year. It was started by two civil right activists after they managed to secure US$100,000 funding from the Southeast Asian Press Alliance. *MalaysiaKini* fed on Malaysians appetite for change. In the early days after its launch, the portal saw overwhelming readership with 116,000 readers a day. So good was the response that the site crashed in July 2000. The online portal gave news scoops that confirmed Malaysians’ perception of the inadequacies of the ruling regime, news that would
not see the light of day in mainstream media. The portal was also the first to release a series of report involving lawyer VK Lingam and his dealings with senior members of the Malaysian judiciary detailing how the judiciary was seriously compromised.  

Malaysiakini’s success triggered more independent websites; all rode on the theme of political change. Harakah.com, the news portal for PAS, saw more than 140,000 page views daily. There were also news portal like Free Malaysia Today, Malaysia Today, Malaysian Insider, The Nut Graph, The Malaysian Chronicle and The Edge that made a huge impact in shaping public opinion. Blogsites were also a rave given the rise in citizen journalism. Personalities whose thoughts would never hit the headlines in main stream media could now pen their thoughts on blogs. Public rave for alternative news have also led the state to take measures to curb online sites it deemed as troublemakers but with little impact. So extensive was the rise of new alternative media that people were turning away from conventional media. Then Home Minister, Syed Hamid Albar acknowledged that the “Internet news media cannot be called an “alternative media” any more as it is a more popular medium than the traditional mainstream media in Malaysia…I think we have to call the alternative media the mainstream. In fact, mainstream papers are trying to emulate them and be as critical as they can in selling their papers”.

This is more so given the attraction of the alternative media and after the New Straits Times see a dip in readership sliding from a high of 180,000 to 80,000.

The alternative media may well be an important driver of political change but it was the inadequacies of the BN-led administration that provided fodder for political change. Soon after the 2008 general election, the public was greeted with a series of cases that exposed weaknesses in the BN-led administration. Two apparent suicide cases implicating Malaysia’s Anti-Corruption Commission (MACC) cast serious doubts on the country’s bureaucracy. The first case involved Teoh Beng Hock, a political aide to one of the PR’s Member of the Selangor state assembly. Teoh was said to have fallen to his death from the office of the Malaysia Anti-Corruption Commission (MACC) after being interrogated by corruption officers. The claim was vehemently contested in court. The case made headlines for months with NGOs and political parties demanding that justice be served. In the end, the court found negligence on the part of the MACC and ordered the graft buster to pay RM 600,000 in damages to Teo’s family. Two years after Teoh’s tragic death, Ahmad Sarbini Mohammed, a senior officer at the Royal Malaysian customs was also found dead at the MACC
headquarters after being probed on allegations of corruption in the Royal Malaysian Customs. Again the court found no evidence of impropriety and none of the MACC officers was charged. The two suicide cases cast a dark shadow on the operations of the MACC and further tainted the quality of BN-led administration.

Before there was time for the public to take in the two suicide cases, Malaysia was rocked by another scandal, this time involving family members of a cabinet minister. In 2010, Rafizi Ramli, a member of the PR, prodded then Minister for Women, Family and Community Minister, Shahrizat Abdul Jalil to explain claims of mismanagement and corruption in National Feedlot Centre (NFC), a company headed by Shahrizat’s husband and three children. Rafizi claimed that the cattle farming company was using government soft loans to purchase non-related assets in the form of properties. Rafizi’s revelation saw the MACC and the police probing the case and, subsequently, Mohamad Salleh, Shahrizat husband, was charged in court for criminal breach of trust.27 As for Shahrizat, she quit her cabinet post after heavy public criticisms but would later become advisor in the Prime Minister’s office that sparked more public discontent.28 Mohd Salleh was later discharged from four criminal breach of trust charges not amounting to an acquittal (CBT) in November 2015. The verdict however did little to diminish public’s perception of the BN-led administration.29 The two suicide cases and the NFC scandal gave further justifications for regime change. In the 2013 election, opposition parties paraded the scandals as evidence of the deterioration of state institutions.

THE 2013 GENERAL ELECTIONS: CHANGE REMAINS ELUSIVE

The 2013 General Elections saw a more confident PR, convinced that it had a realistic chance of ending BN rule. The PR had an efficient public relation machinery which left Malaysians hooked on the slogan “Ubah” (change), Inikalilah (Time for Change) and ABU (Anything But UMNO). With a well-oiled election machinery many felt that the election would mark the end of the BN’s 56-year rule. Many dubbed the election as the “mother of all battles”. Indeed, it turned out to be the toughest challenge for the BN led government.

Regime change however continued to elude. Despite making an impressive show by winning more than 50 percent of the popular vote it was not enough to assume control of Putrajaya. While there is legitimate claim that PR’s loss was due to institutional impediments,
specifically the malapportionment of seats[^30], there is yet another argument to PR’s loss; PR’s change agenda also played on Malaysia’s institutional rigidities. In their bid for change, Malaysia’s change agents continue to be guided by the need to preserve mutually exclusive institutions. Substantive change was stymied because political parties continued to rely on ethnic-based issues for support. PR’s sloganeering of Anything But UMNO (ABU) was perceived along ethnic lines. In fact “Anything but UMNO” was taken as “Anything but Malay rule” which spooked Malay voters. Malay fear was further raised given PAS’s passive role in the PR, raising fear that a PR-led government would erase Malay special rights and compromise Islam. In the DAP, Malays saw a Chinese party and DAP’s choice of putting candidates in Chinese majority constituencies only confirmed such perception. Viewed that way, the DAP’s leadership role in the PR during the election and the party’s aggressive pursuit of “ABU” was perceived as an assault on Malay rule. The move by Lim Kit Siang to contest in Gelang Patah in the state of Johor and to take on the incumbent Mentri Besar, Abdul Ghani Othman raised fear among Malay voters. Large Chinese turnout at DAP’s rallies in Johor pit the election as an ethnic battle.[^31] It did not take long for the UMNO to capitalise on the ethnic sentiment campaigning that a PR rule would spell the end of Malay privileges and undermine Islam.

Given such context it is not a surprise that the election results saw a strong Malays/non-Malays political dichotomy. The UMNO and DAP were the biggest winners. UMNO won 88 out of 120 seats it contested and the DAP clinched 38 out of the 51 seats it contested. PAS lost substantial Malay support to the UMNO, winning only 21 parliamentary seats out of 66 seats it contested. Chinese voters also deserted the BN and voted in big numbers for the PR. In constituencies where Chinese voters made up more than 50 percent, 97 percent of state seats and 100 percent of parliamentary seats went to the opposition PR. In 22 parliamentary seats that had more than 50 percent Chinese voters, the DAP won in all seats.[^32] Clearly, the 2013 elections tore further at Malaysia’s social fabric. In trying to effect change, political parties played on preserving exclusive institutions that made for a highly divisive ethnic politics.[^33] Even when change agents touched on issues like governance, transparency, corruption and patronage that cut across ethnic lines, such issues were often quick to be interpreted using ethnic lens.[^34] In the end, liberalising ideas of change – better governance, accountability, fairness – ended up being caught in the need to preserve of mutually exclusive institutions.
NAJIB AND THE 1MDB SAGA: CIVIL SOCIETY AND THE ELUSIVE CHANGE

Change agenda was kept up in 2015. The year saw the Prime Minister Najib and BN leadership coming under intense public scrutiny. Two huge financial scandals threatened to unseat the Prime Minister and fracture the BN. The state investment company 1MDB came under heavy public criticism after reportedly taking on a huge debt burden of 42 billion ringgit. Though the company insisted that its net tangible assets remained positive the company’s near default of its fixed income obligations and many debatable financial transactions provided little confidence. The public griped that the government had endorsed the misuse of public money to fund wrong business decisions without proper oversight. A recent report by Switzerland’s Attorney General on 1MDB which found that US$4 billion has been misappropriated by the Malaysian government threatened to put more pressure on the Malaysian government.35

Before the 1MDB issue was resolved the BN leadership was rocked by another scandal this time involving the Prime Minister himself. From the second half of 2015, Najib was fighting for his political life after allegations that US$700 million or RM 2.6 billion has been deposited into his personal account. Many claimed that the money came from the beleaguered 1MDB. Najib admitted that the money was indeed deposited to his account but it came from a Saudi donor to fund BN’s election campaign in 2013 but his admission made for little convincing.36

The twin scandals cued the movement for change. In late August, BERSIH organised another street rally to press for political reform and for Najib to come clean on the RM2.6 billion. The BERSIH 4 rally was held on 29 August two days before Malaysia’s Independence Day.37 The two-day rally was held at the Dataran Merdeka, the same venue where the state would hold its Merdeka celebration. Almost half a million people turned up for the event, the main highlight of which was the presence of Dr Mahathir. Long viewed as a non-advocate of street demonstrations, Dr Mahathir rallied with the crowd to call for the resignation of the Prime Minister.

Despite the impressive turnout, the BERSIH 4.0 rally did little to change the political scene. Worse, the BERSIH 4 rally came to be viewed along ethnic lines, blunting the change effort. Though the organiser defended that the rally was for all Malaysians, the rally did not see a
large Malay turnout and it was not long before critics were quick to ethnize the BERSIH 4.0 demonstration.\textsuperscript{38} Overwhelming Chinese presence quickly came to be seen by the likes of UMNO and many Malays as a show of force of non-Malays that put paid to BERSIH’s reform agenda.

Malays’ lack of participation in the BERSIH rally triggered a reaction by Malay rightist groups. On 16 September 2016, PERKASA, a Malay rightist group joined hands with other right-wing Malay groups to organise the \textit{Perhimpunan Rakyat Bersatu} (Assembly of United People) as a response to the BERSIH 4 rally held a few weeks earlier. In the rally, Perkasa’s chief Ibrahim Ali spoke of how the Malays tolerated a plural society by agreeing to provide citizenship rights to non-Malays in the run-up to independence but how there was little thanks for such gestures. He singled out the DAP, not the Chinese community as a whole, for sowing race hate.\textsuperscript{39} More than 10,000 people attended the rally.\textsuperscript{40}

Unlike BERSIH that attempts to distance itself from partisanship - difficult it may be - NGOs like PERKASA make no pretence that they are founded to preserve mutually exclusive institutions. PERKASA was formed in 2008 after Malay right wing activists felt that Malaysia’s political development had threatened Malay “special rights”. Headed by Ibrahim Ali the group has Dr Mahathir Mohamad as its adviser. PERKASA has partisan support and is funded by UMNO and count many UMNO members as its members.\textsuperscript{41} Though Ibrahim Ali defended that PERKASA had no intention to incite race issue and that the organisation merely wanted to defend Malays, PERKASA’s actions and rhetoric did little to convince Malaysians. At a time when Malaysia needs statesmen to bridge its many exclusive institutions, PERKASA presence only worsen matters. Ibrahim Ali’s various statements made for little convincing. In January 2013, at the height of the “Allah” issue, he called on Muslims to burn Malay Bibles that contain the word “Allah.”\textsuperscript{42}

Can Malaysia’s civil society move beyond ethnic and religious issues? On current terms, it is difficult. BERSIH may have done a credible job in mobilising multi-ethnic support but its latest demonstration indicate the difficulty faced by Malaysian NGOs in overcoming institutional rigidity and moving away from ethnic politics. The truth is that certain NGOs like BERSIH maintain close links with political parties and since political parties are organised along ethnic and religious lines, such NGOs become automatic proxies to propagating exclusive institutions. BERSIH 1.0 for instance were set up by PAS, PKR and
DAP. Even though in subsequent rallies the BERSIH organisers attempted to distance themselves from partisanship, it could not totally divorce itself from partisan politics. In fact, BERSIH demonstrations would not have been possible without the support from PR supporters. Govindasamy (2015) argued that “without Pakatan Rakyat, BERSIH’s success at multi-ethnic mobilisation for various rallies would have been highly questionable”.\(^{43}\) PAS and DAP were instrumental in mobilising support for BERSIH rallies. When PAS left PR, BERSIH 4 had to rely mainly on the DAP to mobilise support which naturally saw a large Chinese turnout.\(^{44}\)

Path dependence and Malaysia’s fostering of mutually exclusive institutions suggests that even civil society movements remain trap in ethnic silos. Malaysians are more comfortable in organisation where their co-ethnic is the majority.\(^{45}\) Indeed, Malaysia’s NGOs continue to tap on the country’s exclusive institutions for relevance. Weiss (2006) opines that “while they espouse multiracial issues on the whole, Malaysian’s NGOs are hardly exemplars of non-communal praxis”.\(^{46}\) So long as Malaysians continue to find comfort in mutually exclusive institutions there is always the possibility that organisations like NGOs would succumb to racial cleavages. Substantive political change continue to elude Malaysians. Mutually exclusive institutions have so guided Malaysians’ thinking that Malaysians continue to struggle to address issues from non-ethnic dimensions. We look now at political parties and how they continue to preserve mutually exclusive institutions.

**POLITICAL PARTIES**

The post Asian crisis Malaysia saw a more galvanised and resolute opposition parties. Prominent parties like PAS, DAP and PKR grabbed the public imagination with their willingness to focus on issues of governance, transparency, accountability and look beyond ethnic politics. The PR which was formed after the 2008 election came across as a formidable alliance raising optimism that the nation was on course for greater political liberalisation and that Malaysia was ready to look beyond ethnicity.\(^{47}\) That hope faded after the 2013 election when the PR struggled to remain as a pact and eventually collapsed in 2015.

While the BN’s power sharing or consociational arrangement managed to hold for more than 50 years, opposition alliances like the PR have not been as lucky as the BN in coalition building. Past attempts at building a coalition to rival the BN did not last long. Many reasons
can be put to this. The BN has stayed intact because being in power allows it greater ability to distribute resources to its members. Being in power also demands that component parties within BN give greater commitment at maintaining the coalition. More importantly, after being around for more than 50 years, the BN has acquired institutional memory that help it to resolve internal conflict. One cannot dismiss that institutional learning has facilitated BN’s adroitness at conflict management. Somehow the BN political elites have been able to turn a plural and fragmented political culture into a stable polity. Indeed, institutional learning has helped the BN understand the cost of political fragmentation and hence its ability to negotiate multiple interests and competing exclusive institutions.

In contrast, Malaysia’s opposition alliances lack such institutional memory. Opposition alliances were handicapped by the short term nature of their alliances which did not allow institutional learning to take root. Even though there is cost to political fragmentation, the lack of institutional learning has led to the quick breakdown of the opposition. Not being in control of the Federal government also provide political parties with little incentives to negotiate differences unlike the BN-led government. It is thus not a surprise that opposition parties adopt a more adventurist attitude when dealing with ethnic and religious issues knowing full well that they could lose the alliance, but could very well win back lost support.48

Malaysia’s opposition alliances broke down for the reasons stated above. In the 1999 election, PAS, DAP and Parti Keadilan formed the Barisan Alternative (BA). The coalition started well. During the hustings, issues surrounding the Asian crisis, controversies over Anwar’s sacking and arrest and the state’s high handedness in dealing with the “Reformasi” demonstration became selling points. The BA handed the BN one of its heaviest setback. UMNO suffered a big blow when it lost 22 parliamentary seats after Malays deserted the party and voted for PAS and opposition parties, and Terengganu came under BA’s control, specifically under PAS rule. Despite the initial euphoria, the BA coalition lasted for only two years. The PAS and DAP could not agree on fundamental issues after the former insisted on resurrecting the idea of the Islamic state and introduced hudud laws in Trengganu. PAS implemented these ideas because that was the promise the party gave to voters especially in Kelantan and Terengganu. The DAP were forced to come out strong against PAS’s initiatives, failing which the party could lose substantial support.49 In the end, parties in the BA could not run away from the realities of Malaysian politics. All parties were forced to
preserve Malaysia’s mutually exclusive ethnic-religious based institutions which came at the expense of regime change.

In 2008, the DAP, PKR and PAS made another attempt at coalition after all three parties made impressive wins at the elections by taking control of five states. This time, opposition leaders assured voters that the newly formed PR would break new grounds in coalitional politics. Anwar Ibrahim was instrumental in giving shape to the coalition. He painted a coherent story for change and made the DAP, PAS and PKR agree to a common agenda. Anwar’s charisma plus his familiarity with coalitional politics gave plenty of hope that there was now a realistic chance at political change. With fresh new faces, the PR steered away from ethnic and religious politics, preferring to focus on fundamental issues of corruption, patronage, equality and governance. The thought of capturing Putrajaya was palpable among PR leaders; photo-ops of PR leaders holding hands in solidarity was reassuring. The DAP and PAS also came across as having settled their ideological differences with all parties talking the liberal language of change – tolerance, equality, social justice and good governance.

To make clear its commitment PAS introduced *tahaluf siyasi* (political alliance) to describe its new partnership, a turnaround from PAS’ earlier stance when in the 1980s it labelled UMNO as *kafir* (infidels) because of the latter’s tie-up with non-Muslim political parties. PAS also espoused the need for equality and tolerance, setting up a non-Muslim arm and fielding a non-Muslim in Malaysia’s general elections. When the DAP was threatened with the possibility of being barred from contesting in the next election (the 13th general election) by the ROS over alleged improper party election, PAS invited DAP members to contest under the PAS banner. PAS also made little mention of its pursuit of the Islamic state. Hadi Awang, the PAS President took a softer stance when it came to the idea of the Islamic State. In the *Muktamar PAS* in June 2011 Hadi mentioned that nowhere in the Quran was there an explicit mention of the Islamic State. Instead, he spoke on the need for a welfare state (*negara kebajikan*) stressing the greater importance of religious tolerance, the need to exercise justice and equality and to end poverty. PAS’ new position was indeed comforting to PR members, more so for those rooting for regime change.

The DAP also offered its hand in building a coalition by not making public, grievances it might have with its coalitional partners. The party’s leadership chose to stay quiet when consistently pressured by the MCA on its partnership with PAS, a party that was bent on
establishing an Islamic state. Indeed, in the years prior to the general election PR members made great pains to stay resolute and to reconcile differences. On hot button issues like religion, education and Malay special rights – PR leaders “agreed to disagree,” even if this could possibly lead to policy limbo and inaction. To the public, the PR came across as a solid alliance capable of taking on the BN regime.

The hope of a solid PR coalition however dimmed after the 2013 general elections. Cracks began to appear in the PR a year after the 2013 election as PAS reverted to maintaining exclusive institutions. PAS’s significant defeat to UMNO saw the party stalwarts – particularly the clerics – to revisit the party’s raison d’etre and resurrect the idea of the Islamic state. The clerics among PAS leaders urged the party to rethink its commitment to “Tahaluf Siyasi.” They also urged PAS leadership to revisit the implementation of hudud laws in Kelantan. The demise of spiritual leader Nik Aziz Nik Mat and the persistence among PAS leaders, especially among the clerics led the non-clerics elements in PAS deciding to break away to form the Parti Amanah Negara (PAN). The split within PAS did little to undo the party’s persistence. Despite retorts from PKR and DAP leaders, PAS quickened its commitment to resurrect the idea of an Islamic state in early 2015 with its President Hadi Awang announcing that the party would submit a private bill to Parliament that would allow for the introduction of hudud laws in Kelantan.

The announcement was a huge blow to the PR alliance. The PKR preferred not to take a firm stand fearing that doing so would speed up PR’s disintegration and cost the party much support. Azmin Ali made an ambiguous statement aimed to appease all parties saying that the PKR had never opposed hudud laws but only disagreed with PAS’s method in pushing for the private bill. The DAP could not ever agree on the proposal knowing full well that a vote of confidence on hudud would cost the party. DAP’s Lim Guan Eng traded barbs with PAS’s Hadi Awang accusing the latter of not sticking to the PR manifesto and consulting the PR before making the announcement to table hudud laws in Parliament. In the end the coalition became untenable and the PR coalition was dissolved in June 2015. The decision to leave PR also fragmented the PAS with the non-cleric elements within PAS deciding to break away from the party to form the new party PAN headed by Mohamed Sabu.

In the second half of 2015, PAN joined hands with DAP and PKR to form a new coalition called Pakatan Harapan (PH). Can PH provide a new inspiration for change? There is as yet
little confidence that the coalition will not go the way of previous coalitions. PAN is in its infancy and has gained little traction among Malays and progressive PAS supporters. Its inability to gain broad support is most apparent when it failed to mobilise Malay support in the Bersih 4 rally. As things are, it is difficult to see PH successfully courting middle Malaysia. There is little optimism that PH would move away from being dictated by the need to preserve exclusive institutions to stay relevant.

**IS THERE A WAY OUT?**

When viewed from the chronology of events, political change in Malaysia seems hopeless. No matter how you deal with it, change agents are constantly held captive by the need to preserve mutually exclusive institutions. It is evident that Malaysia desperately needs a new organising principle to reshape its economic, political and social institutions but the solutions are not that simple.

This paper takes the view that political change needs to be contextualised. In the case of Malaysia change must adhere to two preconditions. First, agents must view political change as a long term goal and hence take strategic decisions. A long term view is imperative because institutions are products of peculiar historical experience. Institutions have inertia that makes change difficult. Institutions learn and have memory which makes change efforts all the more complicated and protracted. To add, institutions socialised actors in particular way, reward and punish them and provide actors with a mental construct that is not easily unlearned. Change then should be seen as small, gradual or incremental steps. There is little doubt that change efforts may well be insignificant when viewed from a short duration but they could prove transformational when viewed from a longer time horizon.

A second precondition is that political change in Malaysia must take into cognizant Malaysia’s institutional character. Change agents, however, must find creative ways to dilute or bridge or even erase the many mutually exclusive ethnic and religious institutions rather reinforce these institutions. Opposition alliances in the past (*Barisan Alternatif, Angkatan Perpaduan Ummah, Gagasan Rakyat, Pakatan Rakyat*) all failed because they reinforced exclusive institutions rather than seek ways to dilute or bridge or eliminate the various contradictions of exclusive institutions. Rather than being a game changer these agents ended up playing the same game. Put differently, change ideas must be able to tackle the urgent part
– erase or dilute or bridge Malaysia’s mutually exclusive institutions – while taking into view
the fixed reference to Malaysian politics.

There were several government efforts in the past to bridge these mutually exclusive
institutions but such efforts were short lived as they became victims of political expedience.
Implemented in 2003, the teaching of Maths and Science in English for instance gave hope
that schools could be an agent for social integration that reduces ethnic exclusivity and make
for more competitive schools. While the main opposition to this policy were the Malay
language champions and the Chinese educationist movement, the opposition parties also
rejected this policy. As such, the BN fearing that continuing the policy would result in the
party losing more votes comes the next election terminated the policy in 2012. More recently
Najib Razak introduced the dual-language programme (DLP). Under the programme, schools
are given the option to teach Science, Mathematics, Information and Communication as well
as Design and Technology either in English or Bahasa Malaysia. To be tried out in 300
schools, the programme did little to impress opposition political parties. PKR’s Nurul Izzah
Anwar and members of the new Amanah party took issue with the policy. Hence, rather
than find ways to bridge exclusive tendencies, political expedience saw change agents ending
up reinforcing exclusivity.

It is unfortunate that change agents do not take on strategic positions when viewing the above
policies. Policies to introduce the English language and to provide vision schools are clear
attempts to open more common spaces and bridge mutually exclusive institutions but they
have been unfortunately held back by political opportunism. Political parties – be it the ruling
BN government or the opposition parties – continue to see education as a convenient tool to
gain political currency at the expense of future generations of Malaysians. It is unfortunate
that in their eagerness for regime change, agents chose to entrench mutually exclusive
institutions rather bridge, dilute or diminish these exclusive institutions. Somehow populist
policies to win the next election takes precedence over strategic decisions.

There is hope that things are changing. The breakup of the PR stirred introspection on the
part of political parties. Change agents now realise that political change must operate within
the limitations of Malaysia’s institutional character and that there is the need to break
exclusive institutions. The DAP seems to understand such preconditions. The party is now
seeking new organising principle, realising that old ways of doing things can only disappoint.
In an interview to commemorate the party’s fiftieth anniversary, DAP’s stalwart Lim Kit Siang said that the party needed to gain Malay trust but admitted that doing so was daunting. He also said that the DAP made no pretence that it could not go alone in seeking regime change, stressing the reality that the party needed to take Malaysia’s diverse race, religions and regions.58 The DAP’s strategist Ong Kian Ming echoed similar concerns. In a seminar on the future of opposition alliance, Ong mentioned that the DAP should “stop offending the Malays” and that party needs to do more to woo Malay voters.59 Ong also took issue of the tendency of some DAP leaders who chose to speak in their mother tongue instead of the national language, Bahasa Malaysia pointing out that such posturing did nothing to convince Malays that the DAP was a party for all races. Ong also mentioned that the DAP must work to be a party of all ethnic groups. He admitted that the party faced internal and external dilemma in its effort to “lessen the chauvinist image of DAP” highlighting that there were resistance within the party ranks to recruit Malays.60 He said that when the party’s leadership mooted the proposal to increase Malays, Sabahans and Sarawakians membership to 50 percent there was internal resistance.

Change agents also realise that change must operate within the givens of Malaysia’s political economy. Rafizi Ramli, the strategist for PKR reiterated the need to address the issue of Malays and Islam. He admitted that in their haste to address issues of governance and accountability the opposition alliance had not been addressing issues concerning Malays and Islam. He rightly pointed out that young, educated and urbane Malays no longer trusted UMNO but they were also concerned that “the position of Islam and Malays would be jeopardised if they supported the opposition.”61 Rafizi also pointed out that “agreeing to disagree” is no longer a principle in the newly formed PH. To indicate the need for a more formal arrangement the new PH members signed an agreement that the party would work on building a common consensus. PH also initiated a dispute settlement mechanism when only the presidential council could make decisions regarding collaboration between the PKR, DAP and PAN.

The admission by the likes of Ong Kian Ming and Rafizi Ramli on the need for a new organising principle is refreshing. After more than 15 years of pursuing change, agents now realise the need for a new approach that requires them to be cognizant of Malaysia’s institutional character and to reconcile these exclusive institutions. As a matured party that is founded on meritocracy and democratic principle, the DAP seems the more promising among
other change agents in dealing with Malaysia’s numerous exclusive institutions. But to do so it needs to shed its “Chinese party” image among Malays and make more effort at garnering Malay confidence. It is indeed a tall order going by recent polls. A survey by Selangor’s Darul Ehsan Institute found that 72 percent of respondents said that the DAP only fought for the Chinese community. 64 percent of respondents mentioned that the party was anti-Malay and anti-Islam. DAP’s coming of age as a truly multi-racial party would be when it could take on the BN in Malay majority areas. It is still early days to assess the DAP and PKR’s new outlook and whether Ong Kian Ming and Rafizi spoke for their respective parties. To effect change, agents like Ong and Rafizi need to follow through such ideational change no matter how difficult they may be.

CONCLUSION

The last few years saw issues been raised that persistently test the many assumptions of Malaysia’s political, social and economic life. Calls for political, social and economic reforms have grown louder. Without doubt, Malaysia is coming under intense pressure to make fundamental changes to its political, economic and social arrangement but political change suffers from the lack of fit between ideas and institutional arrangement. Change seems impossible given institutional rigidity.

Institutional rigidity should not give reason for despondence. There are reasons to be sanguine that efforts at political change is permanent. Malaysia in 2016 is a far different complex than Malaysia in 1999. Change agents have come to realise that change - if there is to be any - must be cognizant of Malaysia’s institutional features because failure to do so would frustrate any efforts at change. The challenge now is for change agents to take into account Malaysia’s institutional qualities while at the same time seek creative ways at negotiating these exclusive institutions. Efforts should be directed at bridging, diluting or eliminating these exclusive institutions not entrenching them. To do so, change agents should adopt a strategic view. Change takes place in incremental steps, unexciting perhaps in the short run, but may well prove transformational in the long term. At this juncture in Malaysia’s history the country needs statesmen not mere politicians. Politicians plan for the next election, statesmen plan for the next generation.
Notes

8. The four features highlighted are large set up or fixed costs. Given the large amount of investments and high fixed costs, individuals and organisations have higher incentives to stay on a particular technology or stick to a particular options; Learning effects is a phenomenon to show that once we are good at something we tend to better at innovating it rather than seek something entirely new; coordination effects relates how current adoption of techniques would encourage the tying up with other related techniques to make to make it more attractive; adaptive expectations relates to how the adoption and prevalence of an option will limit our future choices, as we tend to not want to pick future ‘wrong” choices and would hatch our bet on choices that would be “successful”. Read Arthur, W. B. (1994). Increasing Returns and Path Dependence in the Economy. Ann Arbor, University of Michigan Press.
12. While there are those that say that the DAP and PKR are two parties that employ meritocracy and non-ethnic based, the choice of constituencies of these parties during elections suggest that they acknowledge that the parties appealed more to a certain ethnic group than do others. The top leadership of the parties also do not quite mirror Malaysia’s demographic profile.
In his opening address to the Gerakan Party’s 30th national delegates conference, then Prime Minister Dr Mahathir Mohamad announced that “UMNO wishes to state loudly that Malaysia is an Islamic country.”


PAS took control of the state of Terengganu in 1959 for only two years. In 1961, the Perikatan (Alliance) took control of the state after two PAS state representatives opted to join the Perikatan.

DAP quits BA, opposition coalition in tatters, Malaysia Kini, 22 September 2001


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MySinchew (2013) BN Under Pressure in Johor, 4 May 2013

Abdillah Noh (2013) Malaysia’s 13th General Elections: A Short Note on Malaysia’s continuing battle with ethnic politics.” Electoral Studies

It needs pointing out that majority does not mean more than 50 percent. Malays voters can make up 46 percent of voters with Chinese and Indian voters making up the rest but still form the minority voting pact. In the constituency of Gelang Patah, Chinese voters made up almost 54 percent of voters with Malays making up about 13 percent. Refer http://blog.limkitsiang.com/2013/04/21/gelang-patah-battle-full-of-variables/


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Malaya obtained independence from British rule on 31 August 1931. Malaysia was formed on 16 September 1963 after Sabah, Sarawak and Singapore agreed to join Malaya.

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60 Free Malaysia Today (2016) Some in DAP resistant to wooing more Malay members, 14 January 2016, Free Malaysia Today
61 Malaysian Insider (2016) Pakatan Harapan vows to address Malay issues as GE 14 approaches 14 January 2016
62 Free Malaysia Today (2016) Some in DAP resistant to wooing more Malay members, 14 January 14, 2016