

PERSPECTIVE

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Malaysia's New Cabinet: Squaring the Power of the Ruling Parties

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EXECUTIVE SUMMARY

- Malaysia's new Prime Minister, Tan Sri Muhyiddin Yassin, announced his cabinet line-up on March 9.
- The new cabinet line-up was shaped by several competing considerations, namely: blocking potential challengers for the top job; satisfying the various coalition members; avoiding controversial party leaders; and maintaining a semblance of racial and regional diversity. Due to these multiple pressures, the newly-minted cabinet contains a number of structural innovations, nods to past BN practice, as well as surprise appointments.
- The Prime Minister does not hold the Finance portfolio, there is no Deputy Prime Minister, and a crop of newly-named Senior Ministers add an intermediate layer of management.
- However, Muhyiddin will still have considerable control over economic policy-making, due to his pick for Minister of Finance as well as an expanded Prime Minister's Department.
- Muhyiddin's party, Parti Pribumi Bersatu Malaysia, is very well-served in the new cabinet. Gabungan Parti Sarawak also did relatively well. In contrast, UMNO and PAS did not secure control over the largest or most influential portfolios. UMNO leaders have been especially vocal about their interests being short-changed.
- Constrained by the composition of elected MPs, this new cabinet is male and Malay-dominated, leading to criticisms about the lack of representation from other communities.
- As with the Pakatan Harapan early in its administration, in the months ahead the new coalition will need to pacify interest groups with diametrically-opposed demands.

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INTRODUCTION

On March 9, in a short televised address, Malaysia's new Prime Minister Tan Sri Muhyiddin Yassin unveiled his new cabinet, drawn from the ranks of the recently-forged coalition. At the core of this grouping lies Perikatan Nasional, an alliance comprised of Parti Pribumi Bersatu Malaysia (PPBM), Barisan Nasional (BN), and the Islamist Party, PAS. PN is supported by Gabungan Party Sarawak (GPS), and Parti Bersatu Sabah (PBS).

The product of intense behind-the-scenes negotiations, the new line up was shaped by a number of competing considerations, namely: blocking potential challengers for the top job; satisfying the various coalition members; avoiding controversial party leaders; and maintaining a semblance of racial and regional diversity. Due to these multiple pressures, the newly-minted cabinet contains a number of innovations, nods to past practice, as well as unexpected appointments.

REMAINING ON TOP

The biggest surprise of the cabinet line-up is that Tan Sri Muhyiddin did not name a Deputy Prime Minister. While the Constitution does not specifically refer to this position, this tradition dates back to Malaysia's first prime minister, Tunku Abdul Rahman, who appointed Tun Abdul Razak as his deputy.

With regard to the new cabinet, there are three possible reasons for this change. First, due to their difference in age, Muhyiddin does not face the succession question in quite the same way Mahathir did, and does not need to appoint a successor in the immediate future.¹ Second, in eliminating the position, he is forestalling any potential rivals from amassing too much power or building a leadership profile. Indeed, prior to his ouster from UMNO, Muhyiddin occupied this position himself, and in that capacity questioned Najib Razak's involvement in the 1MDB scandal. Third, Muhyiddin avoids disappointing coalition partners who were angling for the post, most notably UMNO and PAS.

That said, it is possible that this decision was not a planned outcome, but a product of necessity. Either a desired deputy was prevented from occupying the position, or it is being held for a specific individual, something that will be announced at a later date. This latter scenario is unlikely, given the failed leadership transition between Mahathir and Anwar. At this juncture, pledges of reserved positions do not hold much currency.

The elimination of the DPM position was linked to the creation of four senior ministerial positions to coordinate policy in: economics; security; public works; and education and social issues. While these positions form an intermediate layer between the PM and regular ministers, their establishment has come in for particular scrutiny as – unlike Indonesia which has a tradition of coordinating ministries – this is new for Malaysia. Going forward, it is not clear whether they will be awarded larger budgets or what means of compulsion these ministers will have over others – particularly line ministries headed by people from different parties.

The management of economic affairs has also been substantially reconfigured. In another departure from tradition, Muhyiddin will not serve as Minister of Finance. This is in contrast with the precedent established by Mahathir in 1998, when he was Prime Minister and

Finance Minister concurrently, and which was retained by both Abdullah Badawi and Najib Razak.² The appeal of this structure is considerable, given that the ministry commands the largest budget of any government agency, namely RM 64.3 billion (Appendix One).

Under the new line-up, the Minister of Finance will be filled by a leading corporate figure, Zafrul Aziz, the former Group CEO of CIMB Group Holdings. This decision is a nod to the ousted Pakatan Harapan's pledge to separate the two positions, and it also addresses UMNO's complaints that the position should be occupied by a Bumiputera.

However, upon closer observation, the purse strings are not that far from the new prime minister. Beyond sending positive signals to investors, the non-party background of Zafrul will ensure that he answers directly to Muhyiddin. Furthermore, the slightly renamed Economy (previously Economic Affairs) portfolio is no longer free-standing – but instead has been placed under the Prime Minister's Department – as it was before 2018. It will be headed by PPBM member and experienced policy-maker, Mustapa Mohamed.

The number of ministries within the Prime Minister's Department (PMD) has also increased, entailing direct oversight of a number of key areas. Beyond absorbing Economic Affairs, the existing Religion ministry was retained, the Law portfolio was expanded to include Parliamentary Affairs, and two new ministries – Sabah and Sarawak Affairs as well as the vague-sounding Special Duties – were added. While budget details from the newly-created ministries within PMD are not available, its 2020 budget of RM 7.9 billion will grow to RM 11.1 billion with the absorption of the Economy portfolio – making it the sixth largest portfolio in monetary terms.

KEEPING EVERYBODY HAPPY

Driven by the need to keep the various coalition members on board, the size and complexity of the cabinet has increased substantially.

Beyond the senior ministerships, four new ministries were set up. The politically-sensitive and enormous Education ministry (RM 64.1 billion) was split into two. The Education ministry will now focus on pre-university education; and the re-established Higher Education ministry will be tasked with post-secondary learning.³

In a nod to current hot topics, ministries for National Unity and for the Environment were established. Along a similar vein, the newly-established Sabah and Sarawak Affairs ministry was created in recognition of the pivotal role played by GPS, and the pressing calls for increased autonomy in East Malaysia.

With the number of ministers growing from 27 to 32, along with a relatively large number of deputy ministers, Malaysia's apex decision-makers has increased from 55 to 70. This has prompted questions over the size, cost, and efficiency inherent in these new arrangements.

Looking at the allocation of portfolios between the component parties, it is clear that Muhyiddin's PPBM came out trumps. Beyond the prime ministership, the party obtained two out of the four senior ministerships. These are: Education, under the former Deputy

Minister of Economic Affairs, Radzi Jidin; and International Trade and Industry, under ex-PKR Deputy President Azmin Ali.

In addition to these strategic positions, PPBM obtained eight more portfolios, including the highly-visible and budget-heavy ones of: Home Affairs (RM 16.9 billion); Rural Development (RM 8.4 billion); Agriculture and Food (RM 4.9 billion) and Housing and Local Government (RM 4.8 billion). These Cabinet positions show that Muhyiddin and PPBM are playing the long game and seeking to position themselves well for GE-15 – particularly in rural Malay-majority constituencies. The Home Affairs ministry also entails control over the Royal Malaysian Police (including the Special Branch) and its 130,000 officers.

Azmin Ali's ex-PKR faction (within PPBM) did quite well. His lieutenant, Zuraida Kamaruddin retained her previous portfolio of Housing and Local Government, and Saifuddin Abdullah was shifted from Foreign Affairs to Communications and Multi-Media. Five other members of his break-away faction got deputy ministerships. However, Azmin's individual position is more ambiguous. He has been named as a senior minister, and Muhyiddin has tipped Azmin to chair the cabinet in his absence.⁴ Yet, he did not get the prized Finance portfolio, nor did he retain his former Ministry of Economic Affairs. And, his position at the head of International Trade and Industry implies handling a significantly smaller budget (RM 1.7 billion) and occupying a post with a significantly greater international (as opposed to domestic) focus. Indeed, relative to the other senior ministers, Azmin has by far the smallest portfolio.

In relative terms, UMNO came out second best, despite possessing 39 MPs to Bersatu's 30.⁵ The party was allocated only one senior ministry, and eight additional portfolios. Of these, three are strategic and of considerable size. They are the Senior Minister of Defence (RM 15.6 billion) under Ismail Sabri Yaakob, Health (RM 30.6 billion) headed by Adham Baba, and the newly-created but nevertheless sizeable Higher Education under Noraini Ahmad. The other portfolios such as Science, Technology, and Innovation (RM 1.6 billion), Federal Territories (RM 1.5 billion), and Youth and Sports (RM 1.1 billion) are lower profile and have much smaller budgets. Indeed, the ultimate configuration of the Energy and Natural Resources and National Unity ministries is not known. It is notable that Hishammuddin Hussein, former UMNO vice president, was given the Foreign Affairs portfolio (RM 817 million). This position involves considerable international travel and a small budget, which are not conducive to grassroots work in the constituency-rich Malay heartland.

The lead party in Sarawak's GPS, Parti Pesaka Bumiputera Bersatu (PBB), did very well in the new cabinet, netting four ministerial posts. Acutely conscious of the upcoming Sarawak state elections, PBB is now in a good position to build infrastructure, parcel out projects, and allocate grants through its control over the Senior Ministerial Works portfolio (RM 8 billion). PBB members were also named to helm the Tourism, Arts, and Culture (RM 1.1 billion), Domestic Trade and Consumer Affairs (RM 1.1 billion) and the smaller Entrepreneur and Cooperative Development (RM 539 million).

Of the coalition members, PAS has fared the worst so far. Despite the party also matching PBB's 18 MPs, it was the only party to not get a senior ministerial portfolio. In addition, PAS did not get its much-desired Ministry of Religious Affairs – although a party member, Ahmad Marzuk Shaary, was appointed Deputy Minister. In addition, it was awarded three

ministerial positions. Rather unexpectedly, the Environment portfolio (RM 4.8 billion) will be headed by PAS deputy president, Tuan Ibrahim Tuan Man. Its secretary-general, Takiyuddin Hassan, was named as Minister for Law and Parliamentary Affairs. While this last appointment entails extensive purview over legal matters, it is worth noting that the portfolio is subsumed under the Prime Minister's Department. A PAS member, Khairuddin Aman Razali, was also chosen for the small Plantation and Commodities (RM 670 million) portfolio.

AVOIDING CONTROVERSIAL HIGH-PROFILE LEADERS

While the new cabinet is noticeable for its unusual structure, it also has several notable absences. Despite calls from UMNO party members for their party's president, Zahid Hamidi, to be named as deputy prime minister, he did not obtain this position, nor any other in the new cabinet. The same goes for former Prime Minister Najib Razak, as well as former Federal Territories Minister Tengku Adnan. All are currently facing numerous charges for graft and corruption.

Despite the importance of UMNO's 39 MPs for the viability of Perikatan Nasional, these omissions are testament to the pressure that Muhyiddin is under, given the nature of his path to power. Arguably, aside from Ismail Sabri Yaakob, UMNO vice president, and Noraini Ahmad, chairperson of the UMNO Women's Wing, no senior party figure got a front-line position. While the absence of Zahid and Najib is unsurprising, the absence of UMNO Deputy President Mohamad Hasan is striking. Indeed, given his clean record and senior party position, he would have been a natural and relatively uncontroversial choice for DPM.

PAS President Hadi Awang is another noticeable absentee from the line-up (so far). His absence is likely due to a desire to avoid tensions with non-Muslims, as well as an explicit demand by parties from East Malaysia. These considerations are most likely behind Muhyiddin's choice as Minister of Religious Affairs. Zulkilfli Al-Bakri, the former mufti of the KL Federal Territory, is reputed for his moderation and inclusiveness.

However, much as Muhyiddin has control over agencies within the PMD, PAS' tight internal discipline means that the current crop of ministerial picks from the party will still need to answer to their president, Hadi Awang. Indeed, Hadi has pledged to act to check and balance the work of PAS party members in the new cabinet.⁶

DIVERSITY

Perikatan Nasional is largely male, Malay-dominant and, reflecting Muhyiddin Yassin's power base, has a considerable number of Johoreans. This is a clear departure from the traditional Barisan Nasional consociational model, based on its diverse leadership that enabled people in different constituencies to vote across ethnic lines, as they felt that their interests were represented in the coalition as a whole.

While Muhyiddin is acutely conscious of the need to have a diverse cabinet, the existing pool of parliamentarians, largely from Peninsular Malaysia's rural heartland, limits the extent to which this can be addressed. Senatorships for non-parliamentarians do provide a

way of circumventing this through the right of the prime minister to appoint such persons. However, this tactic also decreases the support base of MPs in parliament whose loyalty has been secured through cabinet appointments.

In terms of gender composition, the new cabinet has five women out of a total of 32 ministers. Two, Rina Harun and Zuraida Kamaruddin, are both PPBM hold-overs from the previous cabinet. They are joined by Noraini Ahmad and Halimah Mohamed Sadique (UMNO), and Nancy Shukri (PBB). The Pakatan Harapan cabinet also had five female members, but out of a total of 27 ministers, including Wan Azizah, Deputy Prime Minister and Minister for Women, Family, and Community Development.

With regard to ethnic diversity, the Perikatan Nasional cabinet is notably more homogenous. In a nod to the old Barisan Nasional model, two out of the three MPs from non-UMNO Barisan Nasional parties were allocated ministerial portfolios: Wee Ka Siong (MCA) for Transport; and M. Saravanan (MIC) for Human Resources. The second MCA MP, Wee Jock Seng was named as Deputy Minister for Primary Industries. Two more MCA members were named as Senators and given Deputy Ministerial positions.

To a certain extent, the visible presence of Sarawak-based politicians goes some way to increasing the cabinet's diversity. Conscious of the need to also appeal to Sabah, Maximus Ongkili of former BN-member Parti Bersatu Sabah was tipped to head the Ministry of Sabah and Sarawak Affairs.

OUTLOOK

Driven by competing considerations, Muhyiddin's new cabinet does a respectable job of covering them all. Nonetheless, this cabinet is not without its fault lines, most of all from UMNO. Despite being given a ministerial portfolio, UMNO Secretary General Annuar Musa stated that his party and PAS still want to dissolve parliament.⁷ Bung Mokhtar from UMNO Sabah expressed disappointment that party leaders from his state were not given positions, and criticized Zafrul Aziz's appointment as a 'political move'.⁸ Azalina Othman, former PMD Minister, argued that UMNO had not been given significant portfolios, despite their larger number of MPs.⁹ Ramli Mohd Nor from Cameron Highlands stated that the Orang Asli had been overlooked in the cabinet.¹⁰ And soon after, party heavyweights Mohamad Hasan and Khaled Nordin joined in the chorus.¹¹

In the weeks ahead, Muhyiddin Yassin will need to work hard to retain his cabinet and increase parliamentary support in order to avoid a vote of no-confidence in May when parliament next meets. Should Perikatan Nasional last beyond that, its ultimate challenge will not be contesting GE-15, but rather deciding on how many candidates PPBM, UMNO, and PAS will be allowed to field, and in which seats. One must expect the competition for viable constituencies between these current bedfellows to be cut-throat.

Appendix One - The Perikatan Nasional Cabinet

	Current Ministry/ <i>Pakatan Harapan</i> <i>Equivalent</i>	Budget RM mil*	Person	Party	Constituency
	Finance	68,340	Zafrul Aziz	n/a	Senator
	Education (Senior Minister)**	64,122	Radzi Jidin	PPBM	Senator
	Higher Education	n/a	Noraini Ahmad	UMNO	Parit Sulong, Johor
	Health Minister	30,602	Adham Baba	UMNO	Tenggara, Johor
	Home Affairs	16,928	Hamzah Zainuddin	PPBM	Larut, Perak
	Defence (Senior Minister)	15,580	Ismail Sabri Yaakob	UMNO	Bera, Pahang
	Rural Development	8,415	Abd Latiff Ahmad	PPBM	Mersing, Johor
	Works (Senior Minister)	8,032	Fadillah Yusof	PBB	Petra Jaya, Sarawak
	Prime Minister's Department	7,900			
	<ul style="list-style-type: none"> Economy/ <i>Economic</i> <i>Affairs</i> 	3,238	Mustapa Mohamed	PPBM	Jeli, Kelantan
	<ul style="list-style-type: none"> Religious Affairs 		Zulkifli Mohamad Al-Bakri	n/a	Senator
	<ul style="list-style-type: none"> Parliament and Laws/ <i>Legal Affairs</i> 		Takiyuddin Hassan	PAS	Kota Baru, Kelantan
	<ul style="list-style-type: none"> Sabah and Sarawak Affairs 		Maximus Ongkili	PBS	Kota Marudu, Sabah
	<ul style="list-style-type: none"> Special Duties 		Redzuan Yusof	PPBM	Alor Gajah, Melaka
	Agriculture and Food Industry/ <i>Agriculture</i>	4,898	Ronald Kiandee	PPBM	Beluran, Sabah
	Housing and Local Government	4,782	Zuraida Kamaruddin	PPBM (ex PKR)	Ampang, Selangor
	Environment/ <i>Water, Land and</i> <i>Natural Resources</i>	4,777	Tuan Ibrahim Tuan Man	PAS	Kubang Kerian, Kelantan
	Transport	3,614	Wee Ka Siong	MCA	Ayer Hitam, Johor

Women and Family/ <i>Women, Family, and Community Development</i>	2,473	Rina Harun	PPBM	Titivangsa, KL Federal Territory
Communications and Multi-Media	1,951	Saifuddin Abdullah	PPBM (ex PKR)	Indera Mahkota, Pahang
International Trade and Industry (Senior Minister)	1,743	Azmin Ali	PPBM (ex PKR)	Gombak, Selangor
Science, Technology and Innovation/ <i>Energy, Technology, Science, Climate Change and Env</i>	1,587	Khairy Jamaluddin	UMNO	Rembau, Negri Sembilan
Federal Territories	1,462	Annuar Musa	UMNO	Ketereh, Kedah
Human Resources	1,290	M. Saravanan	MIC	Tapah, Perak
Youth and Sports	1,155	Reezal Merican Naina Merican	UMNO	Kepala Batas, Penang
Tourism, Arts, and Culture	1,110	Nancy Shukri	PBB	Batang Sadong, Sarawak
Domestic Trade and Consumer Affairs	1,098	Alexander Nanta Linggi	PBB	Kapit, Sarawak
Foreign Affairs	817	Hishammuddin Hussein	UMNO	Sembrong, Johor
Plantation and Commodities/ <i>Primary Industries</i>	670	Khairuddin Aman Razali	PAS	Kuala Nerus, Terengganu
Entrepreneur and Cooperative Development/ <i>Entrepreneurial Development</i>	539	Wan Junaidi Tuanku Jaafar	PBB	Santubong, Sarawak
Energy and Natural Resources	n/a	Shamsul Anuar	UMNO	Lenggong, Perak
National Unity	n/a	Halimah Mohamed Sadique	UMNO	Kota Tinggi, Johor

Source: Speech by Prime Minister Muhyiddin Yassin, March 9, 2020; *the Star*, March 10, 2020

*Nearest equivalent from 2020 Budget, <https://sites.thestar.com.my/budget2020/visual-story.aspx> (accessed 11 March 2020).

** This includes the budget for both the Ministries of Education and Higher Education.

¹ However, it is worth noting that Muhyiddin has been receiving treatment for pancreatic cancer, which is in remission. <https://www.channelnewsasia.com/news/asia/muhyiddin-yassin-malaysia-veteran-political-survivor-12485606> (accessed 16 March, 2020).

² Mahathir was Minister of Finance in 1998-1999, and again in 2001-2003.

³ The Ministry of Higher Education was created in 2004, but re-absorbed into the Ministry of Education in 2013.

⁴ <https://www.straitstimes.com/asia/se-asia/malaysia-pm-muhyiddin-says-azmin-to-chair-cabinet-meetings-if-hes-not-around> (accessed 16 March, 2020).

⁵ The precise number of PPBM MPs is debatable. In a strict legal sense, Mahathir and five other PPBM MPs supporting Pakatan Harapan and should not be included in the total. However, they are still legally members of the party. The figure cited here includes the initial group of PPBM MPs, minus Mahathir's group, plus Azmin's former PKR group.

⁶ <https://www.channelnewsasia.com/news/asia/malaysia-pas-hudud-opposition-cabinet-12527590> (accessed 12 March, 2020).

⁷ <https://www.themalaysianinsight.com/s/227557> (accessed 12 March, 2020).

⁸ <https://www.malaymail.com/news/malaysia/2020/03/10/expecting-no-interference-your-appointment-was-political-bung-tells-finance/1845216> (accessed 12 March, 2020).

⁹ <https://www.malaysiakini.com/news/514267> (accessed 12 March, 2020).

¹⁰ <https://www.freemalaysiatoday.com/category/nation/2020/03/11/orang-asli-want-representation-in-cabinet/> (accessed 16 March, 2020).

¹¹ <https://www.freemalaysiatoday.com/category/nation/2020/03/14/we-arent-just-passengers-in-new-govt-umno-veep-reminds-pn/> (accessed 16 March, 2020).

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