

# PERSPECTIVE

RESEARCHERS AT ISEAS-YUSOF ISHAK INSTITUTE ANALYSE CURRENT EVENTS

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## **Expect More Black Swans to Appear in Malaysian Politics**

*By Liew Chin Tong\**

### **EXECUTIVE SUMMARY**

- Malaysian politics in recent times is more marked by Black Swan events than ever before. Since the general elections of 2008 brought into being a more or less stable two-coalition system, the long-ruling Barisan Nasional has seen falling support. This is true even in the case of the dominating party UMNO and its ties to its key constituency, the Malay community.
- Beyond the leadership problem it has been suffering, enhanced so dramatically by the persistent 1MDB mega-scandal surrounding Prime Minister Najib Razak, the societal situation has seen the cost of living rising and affecting the poor, many of whom are from the Malay community.
- The general elections of 2008 and 2013 showed that urban Malays have been less likely to vote for UMNO and for BN than ever before, and that the ruling coalition is more dependent on the rural population than ever before. However, the Malay rural population has in effect diminished dramatically over the years.
- Najib's strategies for survival have included pushing his coalition to the right and towards aligning with the Islamist PAS.
- For the Opposition, weakened by the swing to the right by PAS but strengthened by the former prime minister, Dr Mahathir Mohamed, joining its ranks, huge challenges remain, especially in articulating a positive national narrative of hope that goes beyond its "Anyone-but'Najib" agenda. More Black Swans await Malaysia.

\* This *Perspective* is based on a public seminar given by Liew Chin Tong at ISEAS-Yusof Ishak Institute on 13 April 2017. Liew was formerly a visiting fellow at the Institute. He is the Member of Parliament for Kluang, and a member of the central executive committee of the Democratic Action Party (DAP).

## INTRODUCTION

The general election of March 8, 2008 was indeed a Black Swan event for Malaysia. And since then, it would seem that a row of Black Swans has been swimming by, one behind another. Malaysian politics is not known for its dull moments.

For instance, who would have expected former Prime Minister Dr. Mahathir Mohammad just a year ago to join the ranks of the Opposition leaders working diligently to turn the ruling Barisan Nasional coalition into the Opposition instead in the next general elections.

Just earlier this month (April), we were told the news that Prime Minister Najib Razak had appointed his cousin Hishammuddin Hussein, who is also Defense Minister, to be the Minister with Special Functions in the Prime Minister's Department. This gives rise to a Black Swan question: Is Najib planning to step down as Prime Minister before the next general elections?

Should that happen, then an interesting new set of conditions and scenarios present themselves. Even if Najib does not leave the stage, we are already presented with a new power equation in which Deputy Prime Minister Zahid Hamidi appears suddenly sidelined. In either case, Zahid may not accept his new situation passively.

To put things in proper context and to understand what is bringing about this change, we need to go back to late November 2007. Allow me here to use myself as a humble example. I am someone born and bred in Kuala Lumpur, but was offered back then, and reluctantly accepted, a challenge to contest a parliamentary seat in the unfamiliar ground of Penang state. The two available to me to choose from, namely Bukit Bendera and Jelutong, were both Barisan Nasional (BN) incumbent seats, which DAP stalwarts Lim Kit Siang and the late Karpal Singh respectively, had surprisingly lost to the BN in the 1999 general election. Literally no one expected me to win, and even fewer thought that a change of government in Penang was possible. At best, some observers noted that there was a possibility of denying Barisan Nasional a two-third majority in that state.

It was only during the campaign period that we began to notice some signs pointing to the possibility of Penang falling to the opposition. What we could not have expected was to see the opposition parties gain enough seats to form the state government in Selangor, Kedah and Perak late in the night of 8 March 2008.

I was probably one of very few who had access to information and who had some inkling of what was about to come. Apart from the surveys and polls I came across then, I recalled a conversation at a private lunch meeting involving 10 core leaders of Penang DAP on 10 February 2008, three days before the dissolution of Parliament. Lim Kit Siang asked us "to prepare for the unthinkable" partly because he had noticed the Indian community to be in an unprecedentedly restless and discontented state.

## A RESTLESS MALAY COMMUNITY

Fast forward to 2017. While many pundits would like to think that Prime Minister Najib Razak is in a strong and unassailable position, they fail to notice how restless and discontented the Malays presently before. Here lies the contradictions—and the possibility of a Black Swan event.

Let me be clear here. I am not suggesting that a change of government will be a walk in the park. Far from it. The stakes are very high for Najib and UMNO, and they will do whatever it takes to keep UMNO in power. That will mean some very intense months ahead until the next general election.

My point is that Najib and UMNO are vulnerable, and therefore susceptible to Black Swan events.

The largest Malay swing in favour of the Opposition thus far happened in the 1999 general election following Anwar Ibrahim's sacking by Dr. Mahathir Mohamad in September 1998, which sparked the *reformasi* movement. An irony indeed.

Now, the 1999 wave was mostly an urban one, and the rural population was still fairly large. The UMNO machinery was largely intact, albeit that it had suffered the loss of some UMNO Youth leaders to Anwar's side. The civil service then was in support of UMNO. But despite all that, UMNO suffered significant losses and was largely saved by overwhelming support from non-Malay voters.

In both the 2008 and 2013 general elections, Malays who voted for the Opposition were mostly urban voters. But today, discontent among Malays can be felt within UMNO's vote banks such as civil servants, Malay women, and even FELDA settlers.

## THE QUIET FRONT

How should one describe the mood among Malay voters today?

I recall that during the 2008 campaign, the *Sun* newspaper frontpaged an interview with my opponent Mr. Chia Kwang Chye, who was then the powerful secretary-general of the ruling Parti Gerakan Rakyat Malaysia, a Federal Deputy Minister, and the incumbent for three terms.

“The Quiet Front” was the headline of the news report in which Chia told the newspaper that he sensed trouble, since voters and traders whom he had met at a particular local market were very quiet and passive. I went to the same market with Lim Guan Eng around the same time, and the reception was hugely different: the traders carried Guan Eng on their shoulders as if he had already won the election, and the entire market welcomed us with overwhelming enthusiasm.

I also remember reading about the 1996 Australian election when it was said that voters “were waiting for Paul Keating with their baseball bats”, just to finish him off politically.

I detect a similar mood today. Many Malays whom I come across tell me that they and their friends are just waiting for the election to teach Najib a lesson: “Kita tunggu sahaja pilihanraya datang”.

My view is that the sentiment against Najib in the Malay ground is beyond repair. What you see in the mainstream media, be it in the newspapers or on TV, does not tell the whole story on the ground.

The challenge for UMNO now is to work out how it is to deal with Najib, and whether the antipathy is just against Najib the person or UMNO the party. Recent allegations of corruption within “guardian” institutions for the Malays, such as FELDA and MARA, will certainly aggravate the situation.

Take my constituency of Kluang as an example. I commissioned Merdeka Centre, an independent polling firm, to do a polls survey in February 2013, a month before the last general election, and once again in August 2016.

In February 2013, the satisfaction of Malay voters in Kluang with the Federal Government was measured at 72%; and satisfaction of the same group with the performance of Prime Minister Najib was at 78%.

In August 2016, only 39% of Malay respondents in Kluang were satisfied with the Federal Government while those who were not satisfied were at 56%. And only 42% of the same group was satisfied with Najib as Prime Minister while 50% was not.

The situation in Kluang is repeated in other similar constituencies in Johor and elsewhere, among Malay voters. An important point to note here is that the survey was done before Mahathir’s Parti Pribumi Bersatu Malaysia was officially formed in September 2016 to challenge Najib and UMNO.

The question is, how did we get here?

Najib and Barisan Nasional received only 47% of the votes in the 2013 general election, but continued to rule thanks to the gerrymandered nature of Malaysian the constituencies, heavy use of money, the misuse of government machineries *for* campaign purposes, and by the “planting” of multi-cornered battles in Sabah and Sarawak to split opposition votes.

Despite such abuse of power and blatant disregard of the law, of the 133 parliamentary seats that Barisan Nasional won in the 13<sup>th</sup> general election, 60 were garnered with a vote share of between 40.6% (in Mas Gading in Sarawak) and 55.8% (in Johor Bahru). A

further 33 seats were won with a vote share of between 56% (Batu Sapi in Sabah) and 60.9% (Parit Sulong in Johor).

Of course, not all Opposition seats are safe today either. Thirty-eight opposition seats were in fact won with a vote share of between 47.4% (Alor Setar in Kedah) and 55.8% (Pasir Mas in Kelantan), of which 5 were with less than 50% votes. A further 18 seats were won with a vote share of between 56% and 60%.

Be that as it may, a net swing of 10% in the next general election will mean that the BN will lose 93 of its 133 seats. This is not impossible if a “gelombang” takes place, a “tsunami” scenario like the one we witnessed in the 2008 general election. If a net swing of 10% goes the other way, based on the last election results, 56 of the Opposition’s 89 seats could be lost.

As mentioned earlier, many pundits have argued that Najib would still win, because they think the rural voters are still with him. This assumption is faulty. Let me explain why.

For starters, there are actually very few rural seats left in the Peninsula, if we go by the idea of rural areas as we usually imagine them – far-flung places cut off from communication with the wider world. Those are the images you will likely see in nostalgia-stirring advertisements shown on national TV during Hari Raya, Chinese New Year or Deepavali celebrations.

The reality is this: UMNO won 88 seats in the 2013 general election, of which 14 were from Sabah, and one from Labuan, which is a Federal Territory seat. Of the 73 seats on the Peninsula, 30 or so are seats which are “built and designed” for UMNO.

The remaining 40 seats are insecure seats and are up for grabs. Take for example the states of Johor and Kedah.

There are at least 11 Barisan Nasional parliamentary seats in Johor which should fall if there is a swing in favour of the Opposition. These include: (in Southern Johor) Pasir Gudang (BN’s vote share at 49.6%), Pulai (51%), Tebrau (51%), Tanjong Piai (55%) and Johor Bahru (55.7%); and (in Northern Johor) Labis (49.5%), Segamat (50.3%), Ledang (50.7%), Muar (51%), Sekijang (53.2%), and Pagoh.

In the state of Kedah, the eight BN marginal seats include Jerai (50.2%), Kulim-Bandar Baru (51%), Pendang (51.5%), Merbok (51.9%), Baling (52.5%), Sik (52.6%), Jerlun (52.8%) and Padang Terap (54.6%).

According to ground reports, the Opposition (especially with the entry of Bersatu) has made an impact in the seats of Langkawi and Kubang Pasu as well, making Kedah a major battle ground state which can tilt the balance of 10 federal seats if a swing is in favour of the Opposition.

Most of UMNO/BN marginal seats are in the following clusters:

- Northern Kedah
- Southern Kedah/Northern Perak/Mainland Penang;
- Southern Perak/Northern Selangor
- The Karak Highway Belt
- Melaka/Northern Johor
- Southern Johor

Most of these seats are semi-urban areas which have a town surrounded by villages less than half an hour's drive away. Southern Johor differs from this pattern as a metropolitan, and fully non-rural seat. Furthermore, in these semi-urban constituencies, most of the youth adults are working outstation, residing in larger cities in the Klang Valley, and Singapore.

I often joke that the average age of people in my constituency of Kluang, a semi-urban area, is 55 years old on weekdays and 25 years old on weekends. And on the eve of the last general election, upon being told by my local campaign staff that the traffic congestion was the worst that they had ever seen (due to returning voters), I quietly told them that I could now be confident of winning.

Often, these semi-urban seats have a Malay majority but they also have a sizable number of non-Malays. In fact, according to the Statistics Department, 65% percent Malays live in urban areas, not far behind the national average of urban dwellers which is at just slightly more than 70%.

My point then is that the semi-urban areas in West Coast Peninsula are likely to determine the outcome of the election. They are far from "rural" as most observers and politicians would like to think of them. Also, the current Malay discontentment is even enveloping FELDA areas which are deemed fixed deposits and rural, and strongholds for UMNO.

In short, much as the Opposition is vulnerable, Najib is walking on thin ice, too.

## **THE REGIME'S OPTIONS**

What then are Najib's strategies for survival? It is not that Najib doesn't understand the precarious position he is in. He does know that UMNO will not be able to win an outright mandate in the coming election. Hence, he has been trying to break up the Opposition as soon as the 2013 general election was concluded.

There were even attempts by Indonesian Vice President Jusuf Kalla between June and August 2013 to broker deals between Najib and Anwar Ibrahim, which Anwar rejected.

And, since then, Najib's strategies have included:

- Putting Anwar Ibrahim behind bars, hence depriving the Opposition of its Prime Ministerial candidate and unifying figure;
- Luring PAS into a *de facto* alliance with UMNO on the pretext of promoting *hudud* legislations; and
- Portraying the Opposition as a DAP/Chinese-dominated alliance.

However, in his grand scheme to win by default, Najib did not anticipate:

- The Opposition surviving despite Anwar's imprisonment;
- A sizable number of ousted PAS leaders forming Parti Amanah Negara in September 2015 to continue the struggle, and many in PAS still disagreeing with their top leaders' collusion with UMNO; and
- UMNO splitting in 2016, and Parti Pribumi Bersatu Malaysia being formed and joining Pakatan Harapan.

Broadly, even without Najib at the helm, UMNO is weaker than in the 2013 election for the following reasons:

First, since independence till the 2004 general election, UMNO had ruled through an extended coalition of Alliance/Barisan Nasional, and governed with substantial support from the non-Malays. But the comfort of buffers formed by BN component parties in Peninsula eclipsed after UMNO made a right turn – becoming more visible in its claim of Malay supremacy – in July 2005 with Hishammuddin waving the kris at the UMNO General Assembly, which led to massive defeats for its allies, the MCA, MIC and Gerakan in both the 2008 and 2013 general elections. UMNO dug in deeper since 2008 to push racial politics in the hope of expanding Malay support, but has achieved surprising little.

Second, since UMNO had been incapable of expanding its support base since 2013, collaborating with PAS became an attractive option. UMNO hopes that by colluding with PAS to polarize society into a struggle between Muslims and non-Muslims, the UMNO-PAS *de facto* alliance will win enough seats between them to form the next government. However, as an unintended consequence, such a move further alienates non-Malay voters in the Peninsula, as well as a majority of voters in Sabah and Sarawak.

Third, while Najib the man managed to command more support among Malay voters compared to UMNO the party in the 2013 election, such is no longer the case. Najib is now a burden to UMNO due to the 1MDB mega scandal, and unpopular economic policies such as the implementation of the GST, fuel hikes and cuts to subsidies to basic amenities like health and education. Angry UMNO leaders and members have formed Bersatu and this new Malay party is making inroads in areas previously inaccessible to the Opposition.

In short, UMNO under Najib is on a narrowing path with now relies on a much smaller base than ever. To the extent that Najib is still perceived as strong, it is because the Opposition is seen as weak and disunited.

What lies ahead?

The known knowns are that Najib is not popular, and there is serious discontent among the Malays. But there are certainly challenges for the Opposition to overcome in order to precipitate change.

First, the Opposition needs to stand for something inspiring and visionary, and not depend solely on the anger against Najib as its forward strategy. The Opposition must stand for more than just removing Najib. The economy and the well-being of the people should be its number one priority.

Second, the coming together of Bersatu and the Pakatan Harapan parties, namely Parti KeADILan Rakyat, Parti Amanah Negara, and Democratic Action Party, is a reconciliation of former foes. Who could imagine Dr. Mahathir and Anwar Ibrahim forming an alliance nearly 20 years after their very bitter fallout in 1998? But the coming together of the once political father-and-son can unleash huge energy if handled properly. After all, both Mahathir and Anwar are positive leadership figures compared to Najib, and they each appeal to certain segments of the Malay electorate.

Third, to present a common agenda that appeals to both Mahathir's audience and to DAP's supporters is a big challenge. If Mahathir and Bersatu go on a racial campaign, it will depress the support of non-Malay voters and create a lose-lose situation for the entire Pakatan Harapan coalition. Likewise, the regime's argument against Mahathir and Bersatu is that they are associating with the DAP. The presence of the DAP can also depress the support for Bersatu and other Malay-based parties like PKR and Amanah if the Opposition is unable to break out of UMNO's racial playbook, and articulate a new narrative that can rally all groups in a larger vision.

In short, Pakatan Harapan needs to "reset" the national conversation to one that centres around "Bangsa Malaysia" and ideas of common destiny for the nation.

Fourth, PAS as UMNO's "new friend", as Zahid Hamidi calls them, is a reality, and the sooner a deep line is drawn between the genuine/official Opposition, Pakatan Harapan, and the pseudo "third force", PAS, the clearer the situation becomes for voters. This will weaken PAS' usefulness as an UMNO-directed spoiler in the coming election.

Fifth, the ultimate challenge for the newly re-aligned Pakatan Harapan that includes Bersatu, comes if Najib suddenly exits the scene and takes out the *raison d'être* for the Opposition and dissipates much of the anger in the Malay community.

If this is to happen, can the Opposition in its present format survive this unlikely but not impossible Black Swan?

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