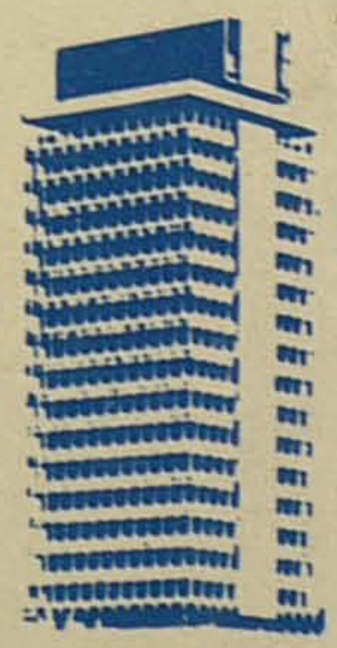
POLITICS AND GOVERNMENT IN MALAYSIA

R.S. Milne and Diane K. Mauzy



Politics and Government in Malaysia is concerned with the substantial political changes that took place in Malaysia after Independence in 1957 and especially during the last ten years. Among these are the May 1969 racial riots and the temporary suspension of parliamentary rule; the replacement of Tunku Abdul Rahman as Prime Minister by Tun Razak, and, on Tun Razak's death, the succession of Datuk Hussein Onn; developments in the party system, particularly the formation of the National Front; the adoption of neutrality in foreign policy; and the Government's New Economic Policy.

Apart from written materials, published and unpublished, the book is based on over a hundred interviews—with politicians from every party, civil servants, academics, journalists, professional people and businessmen—as well as a number of less structured conversations, mostly in 1974 and 1975. These were important in enabling the authors to get the "feel" of Malaysian politics, which cannot be gathered from published sources. Their concise treatment of the various aspects of the subject will be welcome not only to the student of political science, but also to the general reader seeking a comprehensive guide to the political background and development of the country.

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POLITICS AND GOVERNMENT IN MALAYSIA

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POLITICS AND GOVERNMENT IN MALAYSIA

R.S. Milne and Diane K. Mauzy

Issued under the auspices of the Institute of Southeast Asian Studies, Singapore

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PREFACE

This book was originally intended to be a revised edition of R.S. Milne's *Government and Politics in Malaysia* (Boston: Houghton Mifflin, 1967). However, there have been substantial political changes during the last ten years: the May 1969 riots and the temporary suspension of parliamentary rule; the replacement of Tunku Abdul Rahman as Prime Minister by Tun Razak, and, on Tun Razak's death, the succession of Datuk Hussein Onn; changes in the party system, particularly the formation of the National Front; the adoption of neutrality in foreign policy; the Government's New Economic Policy. These changes called for what was essentially a new book, and, apart from the three introductory chapters, about seventy per cent of the material is new. This book is also distinguished from the previous one by the omission of politics in Singapore (except where it affects Malaysia), and by the joint authorship with Diane K. Mauzy, resulting in a fresh view of some aspects of Malaysian politics.

Apart from written materials, published and unpublished, the book is based on over a hundred interviews, as well as a number of less structured conversations, mostly in 1974 and 1975. Very few of these are cited, but they were important in enabling the authors to get the "feel" of Malaysian politics, which cannot be gathered from published sources. The interviews were mostly with politicians (from every party), but also with civil servants, academics, journalists, professional people and businessmen. It is impossible to thank all of these individually here, but the information they gave was very helpful and the interviews were enjoyable.

Our special thanks are due to Dr Peter Lyon and Dr Y. Mansoor Marican for reading and commenting on sections of the manuscript and to Professor K.J. Ratnam for patiently answering questions and discussing hypotheses. We are grateful to Mrs Grace Cross and Miss Nancy Wong of the Political Science Department, University of British Columbia, for their help in typing.

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The authors must also express their gratitude to the following: Professor Kernial S. Sandhu and the Singapore Institute of Southeast Asian Studies for appointing Diane K. Mauzy as a Research Associate; Professor Wu Teh-yao of the University of Singapore (now Vice-Chancellor of Nanyang University) for expediting the visit of R.S. Milne to Singapore; and Tun V.T. Sambanthan and Tuan Syed Zainal Abidin Jamalullail, respectively Chairman and former Secretary of the Board of National Unity, for kind encouragement of our research. We are also indebted to the following libraries: Institute of Southeast Asian Studies Library; University of Singapore Library; Universiti Sains Malaysia Library; University of Malaya Library; UMNO (Alliance/National Front) Headquarters Library; MCA Headquarters Library; Ministry of Information (Angkasapuri Complex) Library; Institute of Commonwealth Studies Library (London); Malaysian High Commission Library (London); and the *Straits Times* Library (London).

The new spelling is used for Malay words in this book except when the old spelling occurs in titles or within quotes. Likewise, the most commonly accepted current spelling for individual names is used, unless spelt differently within quotes. Individual names are cited fully the first time they are mentioned, and thereafter shortened to the name or names by which the individual is generally known in Malaysia. When a Malaysian has no honorific title, his name will be preceded by "Encik" (previously "Enche") which is the equivalent of "Mister". "Tuan" is used instead of "Encik" before the name "Syed", a name borne by descendants of Prophet Muhammad, and before the title "Haji", a title given to one who has made the pilgrimage to Mecca. Generally nothing is added before the hereditary royal title of "Tunku" or "Tengku". Given that honorific titles are gained or upgraded quite often, persons may be referred to by different titles at different times, according to the title they had at the time.

"Datuk" or "Dato" (and the variants such as "Dato Sri") are titles conferred by a state or, at one time, by the Federal Government, corresponding roughly to a British knighthood. The titles are not hereditary. The federal equivalent of "Datuk" is the title "Tan Sri". "Tun" is a federal non-hereditary title which can be conferred only by the King, and ranks higher than "Datuk" or "Tan Sri". Several states still use the old spelling of "Datuk", namely "Dato", and this is used in the book when appropriate. Likewise, the word "Dato" is used here for persons who held that title and died before the change to the new spelling, e.g. Dato Onn.

Where spelling for other titles varies by state, the spelling for the appropriate state is used. Thus, the royal title of the former Prime Minister, Tunku Abdul Rahman, is "Tunku", which is proper for the state of Kedah and is the spelling which the Tunku himself uses. However, the equivalent for the Minister of Finance, Tengku Razaleigh, is "Tengku", reflecting the spelling of Kelantan.

For the word "party" the spelling varies between "parti", "partai", and "party", so the spelling which the particular party in question uses is adopted. The term "National Front" is used instead of "Barisan Nasional". The leading Malaysian English language daily uses "National Front", while some of the other newspapers use "Barisan Nasional": however, both are in common use.

1
INTRODUCTION[1]

Malaysia[2] consists of the peninsula which forms the most southerly portion of the land mass of Southeast Asia and of the northern quarter of the island of Borneo, apart from Brunei. It extends south nearly as far as the equator. At the tip of Peninsular Malaysia, joined by a short, narrow causeway, is the island city of Singapore with over two million people, situated at a strategic and commercial crossroads of air and sea routes. When Malaysia was formed in 1963 Singapore was included, but it ceased to be part of Malaysia in August 1965. To the north is Thailand. To the west and south lie Sumatra, the Riau Islands, and the rest of the island of Borneo, all parts of Indonesia. To the northeast of Borneo are Palawan and other smaller islands, belonging to the Philippines.

Peninsular Malaysia has an east and a west coastal plain, with a central mountain range in between. The Borneo area consists of an alluvial, often swampy, coastal plain, hilly country further inland, and mountain ranges in the interior, in which majestic Mount Kinabalu rises to 13,500 feet. The climate in Malaysia is tropical; it is

[1] For general political reference, the following will be found useful: *Malaysia Official Year Book* (Kuala Lumpur); J.M. Gullick, *Malaysia* (London, 1969); Gordon P. Means, *Malaysian Politics* (London, 1970). (A second edition of Means' book was published in London, 1976, too late for specific references to be cited here); K.J. Ratnam, *Communalism and the Political Process in Malaya* (Kuala Lumpur, 1965); K.J. Ratnam and R.S. Milne, *The Malayan Parliamentary Election of 1964* (Singapore, 1967); Karl von Vorys, *Democracy without Consensus: Communalism and Political Stability in Malaysia* (Princeton, 1975); Wang Gungwu, ed., *Malaysia, a Survey* (New York, 1964).

[2] *Malay* should be distinguished from *Malayan* and *Malaysian*. A Malay is a person of the Malay race, distinguished by use of the Malay language and belonging to the Muslim religion. A Malayan was a person who was a citizen of the Federation of Malaya, but who might have been racially a Malay, a Chinese, an Indian, a Eurasian, or something else. Similarly, nowadays a Malaysian is a person, of whatever racial origin, who is a citizen of Malaysia. All these three words—Malay, Malayan, and Malaysian—may also be used as adjectives in corresponding senses. Before the formation of Malaysia, "Malaysian" was sometimes used to include persons racially akin to the Malays, who were Muslims and spoke a similar language, but who originated from a territory other than Malaya, for instance from Indonesia. But nowadays it would be ambiguous to continue to use "Malaysian" in this sense. See Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), pp. 247-9.

humid, with temperatures ranging from 75 degrees to 90 degrees Fahrenheit (except in a few hilly areas). The average rainfall is about 100 inches a year. There is no completely dry season, but the rainfall is heaviest in the two monsoon seasons which occur each year, at different times in different parts of Malaysia.

Malaysia was formed in 1963 by a federation of Malaya,[3] Sarawak, North Borneo (Sabah) and Singapore. Even Malaya, the chief component in terms of population, did not become an independent nation until 1957. Before 1963 Sarawak and Sabah were still British colonies; Singapore was independent in its internal affairs, but its defence and foreign policy were still controlled by the British. Malaysia has an area of about 129,000 square miles. Its population in 1975 was about twelve and a quarter million. To a large extent its problems resemble those of other countries of Southeast Asia: Indonesia, Singapore, the Philippines, Thailand, Vietnam, Laos, Cambodia, and Burma. Like all of these, except Thailand, it was at one time under European rule, although independence was won without the bitterness of the struggles which took place in Indonesia and former French Indo-China. It has all the usual economic problems of underdevelopment,[4] being dependent on a limited number of exports, most of which are primary products, notably rubber. Added to these are the pressures of rapid population growth, resulting from a yearly increase of about 2.7 per cent. Less tangible, but nevertheless real, are the psychological stresses and strains imposed by modernization. Malaysia faces the familiar problem of how to reconcile traditional ways with Western ideas of "progress". How fast must modernization be pressed, if it causes conflicts with traditional values? Again, like all of these countries, it has had to face the threat of communist subversion. From 1948 to 1960 Malaya was in a state of "emergency", provoked by communist guerillas, and, even after Malaysia was founded, communists were active in carrying out subversion in Sarawak. In the mid-1970s these activities were greatly reduced in Sarawak, but in Peninsular Malaysia they were stepped up, particularly in urban areas. Also, the 1975 communist victories in Vietnam, Cambodia and Laos were disturbingly close to Malaysia.

[3] Consisting of eleven states: Johore, Kedah, Kelantan, Malacca, Negri Sembilan, Pahang, Penang, Perak, Perlis, Selangor, Trengganu. Since the formation of Malaysia it is usually referred to as "Peninsular Malaysia", sometimes as "West Malaysia".

[4] Gunnar Myrdal, *Economic Theory and Underdeveloped Regions* (London, 1957).

In spite of similarities to neighbouring countries, Malaysia has a distinct individuality of its own. It is not just a "typical" slice of Southeast Asia: it is unique. There are four main areas in which it differs substantially from its neighbours: its racial composition, its economy, its Constitution, and the nature of its government and party system.

More than anything else, the racial composition of Malaysia is the key to understanding the whole picture. It dictates the pattern of the economy, has helped to shape the Constitution, and has influenced the democratic process and the party system.

In 1975 the population of Peninsular Malaysia was 10.4 million, Sarawak 1.1 million, and Sabah 0.8 million.[5] At the 1970 census a majority of the population in Peninsular Malaysia was Malay, 53.2 per cent, compared with 35.4 per cent Chinese and 10.6 per cent "Indians" (in a broad sense, including Pakistanis). However, for all Malaysia the picture was more complex, and no single group had a majority: Malays 46.8 per cent, Chinese 34.1 per cent, Indians 9.0 per cent, Dayaks 3.7 per cent, Kadazans 1.8 per cent, other Natives 3.2 per cent, and Others 1.4 per cent.[6] Projections up to 1990 do not suggest any important changes except a slight rise in the proportion of Malays in Peninsular Malaysia and of Chinese in Sarawak.[7] It should be added that the Chinese have been concentrated in the towns, and the Malays in the rural areas, but this distribution pattern is gradually changing.

Because no single racial group in Malaysia has a clear majority, on paper it would seem that a system of checks and balances could exist by which, if any single community attempted to dominate the rest, it could be checked by the superior strength of the other groups combining against it. It practice, it is not as simple. The Malays and the other indigenous peoples feel that they have a special claim to be prominent, if not dominant, in the government of the country, because they are indigenous, and therefore the original "sons of the soil". This claim was recognized by the British when they were the colonial power, and, as will be clear later, the structure of government is based on this assumption.

[5] *Third Malaysia Plan 1976-1980* (Kuala Lumpur, 1976), p. 144.

[6] *1970 Population and Housing Census of Malaysia* (Kuala Lumpur, 1972), pp. 24 and 27.

[7] *Unjuran Penduduk Malaysia 1970-1990* (*Population Projections 1970-1990*) (Kuala Lumpur, 1974).

Everything political or economic in Malaysia is dominated, and must be dominated, by considerations of "racial arithmetic". The best way of illustrating the dimensions of the racial problem is to recall that the Philippines and Indonesia have both shown extreme concern about the Chinese in their respective countries. In particular they have been worried about how the Chinese are to be integrated into the life of the country and also about, in their view, the excessive degree of control which the Chinese have exercised over retail trade.[8] Yet in both these countries the proportion of Chinese in the population is less than 5 per cent. In Malaysia it is more than 33 per cent. With this proportion of Chinese, it is quite unrealistic to adopt merely restrictive measures, such as expulsion, or to prohibit the Chinese from engaging in retail trade. Yet the alternative, of assimilating the Chinese, which has been attempted with some success in Thailand, is not so easy in Malaysia. The proportion of Chinese in Malaysia is much higher than in Thailand. Racially, the Chinese are closer to the Thais than to the Malays. And the fact that practically all Malays are Muslims makes assimilation difficult. The racial mosaic is made more intricate by the existence of "Indians" and the large variety of groups which are indigenous to the Borneo territories.

Consequently there is a racial pattern which defies any simple solution. It is parallelled by a complex language pattern. The elite of all races speak English. But communication among other groups has been difficult, except, for example, in the market place, where "bazaar Malay" is common. In addition to Malay, Chinese is spoken in the form of Mandarin or any one of half a dozen south Chinese dialects. Most Indians speak Tamil, but some use other languages, mostly also south Indian. In Sarawak the most common native language is Iban, and in Sabah, Kadazan, but many others are spoken in each territory. In a few years' time, given the language and education policies of the Government, although these policies have been applied more gradually in Sarawak and Sabah than in Peninsular Malaysia, younger age groups will be able to communicate effectively with each other in Bahasa Malaysia (Malay). Language and education, especially Chinese education, have constituted one of the most contentious issues in Malaysian politics.

The divisions in the population just mentioned are intensified by religious differences. Nearly 100 per cent of the Malays are Muslims,

[8] See, on the Philippines, Remigio E. Agpalo, *The Political Process and the Nationalization of the Retail Trade in the Philippines* (Quezon City, 1962).

but few of the Chinese are Muslims: some are Christians; others are Buddhists, Confucianists, or Taoists, or a combination of these. In other races the dividing line is less marked. An appreciable number of the Indians and Pakistanis are Muslims, and many of the indigenous peoples of Borneo, about a quarter of the population in Sarawak and possibly half in Sabah, are also Muslims.

On a longer perspective, language and education are bound up with the sensitive topic of nationalism.[9] National feeling developed later in Malaysia than in most parts of Southeast Asia. This was partly the result of the type of rule exercised by the British, which worked mainly through the existing Malay Rulers and so softened the reactions against colonialism. But it was due chiefly to the mixed racial composition of the population. What common focus for nationalism could attract the loyalties of a Malay farmer, a Chinese trader and an Indian labourer on a rubber estate, whose families might have been only one or two generations in Malaya? One of the few readily available instruments for creating a common focus is the use of Malay as a national language. Its role in this connection is described in the last chapter of this book.

Racial differences have expressed themselves in the economic sphere. The stereotypes are exaggerated, or out-of-date. But it is worthwhile looking at their origins. It has been said of the Chinese that, of all communities, theirs is "the most obtrusive, the most tenacious, the most feared, a people whose virtues of thrift, self-help, industry have become almost vices . . ."[10] A contrasting picture was painted of the Malay, half a century ago. "Nature has done so much for him that he is never really cold and never starves. He must have rice, but the smallest exertion will give it to him . . . Whatever the cause, the Malay of the Peninsula was, and is, unquestionably opposed to steady continuous work. And yet, if you can only give him an interest in the job, he will perform prodigies; he will strive, and endure, and be cheerful and courageous with the best."[11] The underlying reasons for the contrast are not difficult to see. The Chinese, mostly from southern China, who left their homeland to work in Southeast Asia, including the various areas which now make up Malaysia, were

[9] See William L. Holland, ed., *Asian Nationalism and the West* (New York, 1953); Rupert Emerson, *From Empire to Nation* (Cambridge, Mass., 1962).

[10] Richard Weston, "A Tragedy of Errors", *Eastern World,* Vol. X, No. 10 (1956), p. 35.

[11] Sir Frank Swettenham, *British Malaya* (London, 1920), pp. 136 and 139.

not a random selection. Those who made the journey and survived were exceptionally hardy and determined, rather like the early pioneers to the North American continent. Their attitudes were, and had to be, fiercely competitive. This was in striking contrast to the Malays, who were eminently non-competitive, because there was no point in being anything else. Given the numbers and the energy of the Chinese, it was natural that, under British rule, they should dominate industry and trade, always excepting the large share owned by Westerners, mostly the British. The Chinese, therefore, have tended to concentrate in the towns; the Malays, on the other hand, have formed a larger proportion of those who lived in rural areas. These stereotypes are now changing, especially since 1969, when the Government, in its New Economic Policy, stressed improving the economic lot of the Malays.[12] From the time when Malaysia was formed in 1963 plans were also put into effect to improve the situation of the indigenous peoples in Sarawak and Sabah.

The economy of Malaysia is not typical of Southeast Asia. Apart from Singapore and Brunei, its national income per head is the highest in Southeast Asia, and in South and East Asia is surpassed only by Japan. In 1975 the annual Gross National Product per capita was $1,780, equivalent to about US$750.[13] The level of incomes varies in different states, and it is the aim of the Third Malaysia Plan to help those states which are least developed and suffer most from poverty.[14]

Malaysia weathered the storm of the economic recession, 1974-75, better than many other countries. The Gross Domestic Product (GDP) increased by 3½ per cent in real terms during 1975, higher than seemed likely early in that year. However, this reduced the average annual GDP increase for the five years of the Second Malaysia Plan (1971-75) from 8.4 per cent to 7.4 per cent.[15] By the second half of 1975 economic recovery was evident. The price of rubber, aided by a buffer stock scheme, had started to rise even earlier, at the end of 1974, and this was of great social and political importance, given that more than half a million smallholders were dependent on its price.

[12] See ch. 10.

[13] At the rate of 2.57 Malaysian ringgit (dollars) to one US dollar (*Third Malaysia Plan 1976-1980* (Kuala Lumpur, 1976), p. 111).

[14] Ibid., p. 39. In Sarawak and Sabah the previous emphasis on improving communications, roads, ports and airports will be continued (ibid., p. 353).

[15] Ibid., p. 11. There was also a fall in the value of exports in 1975 (ibid., Table 2.4).

In terms of returns from exports, as distinct from numbers employed in producing them, rubber will gradually decline in importance. In 1975 exports of rubber were valued at $2,016 million, over a fifth of the total, compared with tin ($1,217 million), saw logs and timber ($995 million), palm oil ($1,268 million), crude and partly refined petroleum ($853 million) and petroleum products ($123 million). It was calculated that in 1980 the value of rubber exports would be only 75 per cent more than in 1975, comparable with the projected palm oil figures, and greater than the small increase expected for tin. But the export value of saw logs and timber, and also of crude and partly refined petroleum, was estimated at approximately double the 1975 figure, while the export value of petroleum products was expected to quadruple over the period.[16] A high authority has warned that oil is a depleting asset and will not be a significant foreign exchange earner in the long run.[17] Nevertheless, even apart from oil, the economy is less dependent on rubber exports than it used to be and is therefore less vulnerable.

The destinations of Malaysia's exports are varied. In 1975 the USA took 15 per cent, Japan 14 per cent, the European Common Market 25 per cent (including 70 per cent to UK) and Eastern Europe 7 per cent. Countries in ASEAN (the Association of Southeast Asian Nations) took 23 per cent, of which most went to Singapore, including some for re-export.[18]

Constitutionally, Malaysia is remarkable. Although in form a federation, like the United States or Australia, it breaks many of the "rules" which are generally believed to constitute the essence of federalism. Two states, Sarawak and Sabah, have different powers from the rest; so had Singapore, when it was a member state of Malaysia. A United States parallel would be that, when Hawaii and Alaska were admitted as states, they would have come in on special terms, and would have been permitted to exercise some state functions not possessed by the existing forty-eight states. The justification for this apparently odd arrangement will be discussed later. Broadly, it was adopted in order to allow for differences in culture and level of

[16] Ibid., Table 6.4. However, because of differences in types of oil, Malaysia is also a heavy oil importer. Both Sarawak and Sabah have made great contributions to timber exports; Sarawak is, and Sabah will be, a substantial petroleum exporter.

[17] Tengku Razaleigh, *Malaysian Business,* July 1976, p. 16.

[18] *Treasury Economic Report 1975-76* (Kuala Lumpur, 1976), p. 25.

development between Sabah and Sarawak as compared with the states of Peninsular Malaysia.

Apart from Singapore, Malaysia is the only country in Southeast Asia which has held elections regularly since it became independent. The 1969 elections were followed by riots, and Parliament was suspended until 1971; however, the next elections were held in 1974. The governing party is also unique in Southeast Asia because it is based on a coalition of parties, the most important of which are avowedly ethnic in their composition.[19]

Finally, it is impossible to ignore the effects of external forces. The inhabitants are influenced by the example of what similar racial groups are doing overseas. This is obviously true of the Chinese and the Indians, most of whose families have been settled there for only a few generations. But it is also true of the Malays, who are linked to Indonesia by language and religion, and in some cases even through close relatives who live there. Beginning in 1963, Indonesia under Sukarno carried out a policy of "Confrontation" toward Malaysia, which took the form of armed attacks and sabotage on Malaysian territory. The effects on Malaysia were appreciable. Confrontation opened up the possibility that Indonesia could play off sections of the population in Malaysia against one another, thus increasing racial tensions. It also encouraged communist subversion, particularly in Sarawak. By making increased expenditure on defence necessary, it slowed down economic advance. Because Malaysia was too weak to defend itself in the face of an enemy with ten times its population, it temporarily underlined its military dependence on Britain, Australia, and New Zealand, fellow-members of the British Commonwealth of Nations, and so seemed to support Indonesian taunts that it was really still a "colony".

Very soon after the end of Confrontation, however, Britain planned to reduce defence commitments in the area; so did Australia and New Zealand. After Sukarno lost power, relations with Indonesia greatly improved. Later, Malaysian foreign policy entered a new phase with an emphasis on membership in ASEAN and on adjustment to the consequences of the British, Australian, and New Zealand military withdrawal. It took the form of an effort to achieve neutrality for Southeast Asia and to reach a rapprochement with China.

In the face of Confrontation, it may be wondered how Malaysia

[19] See ch. 7.

has managed to survive. Doubts about its viability arose temporarily after the separation of Singapore in August 1965. In 1969 it suffered from racial violence in the capital, Kuala Lumpur, and, in 1975, from a sharp rise in internal communist activity. In the same year the end of the Indo-Chinese war raised the spectre of further communist expansion. Its fight for existence, and its struggle to find appropriate constitutional and political arrangements to suit its particular multi-racial composition, form the subject of this book.

2
MALAYA UNTIL 1945

By the beginning of the Christian era the early inhabitants of the Malay Peninsula had contacts with traders from India and China. However, much of the early history of Malaya is based only on speculation.[1] Among the earliest kingdoms mentioned was Langkasuka, in northeast Malaya, which dated from about the second century A.D. For some time Langkasuka may have been subject to the empire of Fou-nan, which had its capital in Cambodia. After the decline of Fou-nan, about the end of the seventh century, the kingdoms on the west coast of Malaya, among which were Langkasuka and Kedah, became vassals of Sri Vijaya, an empire influenced both by Hinduism and Buddhism, based on Palembang in Sumatra. In the thirteenth and fourteenth centuries the power of Sri Vijaya waned, and the Javanese-centred empire, Majapahit, dominated Sumatra and possibly parts of Malaya. According to tradition, about 1400 A.D. a refugee prince of Palembang, after a brief stay in Temasek, the site of present-day Singapore, reached Malacca, where he set himself up as Ruler. To protect himself from Siam he secured recognition from China. He also embraced Islam, which had begun to spread in Sumatra and northern Malaya about a hundred years earlier, taking the name of Megat Iskandar Shah. During the rest of the century the kingdom of Malacca expanded territorially inside the Malay Peninsula at the expense of neighbouring states in spite of the opposition of Siam; it fell heir to the commerce of the former Sri Vijaya kingdom, and traded with Sumatra and Java, India, Arabia, Persia, and China. Trade was followed by religion, and Malacca became an Islamic missionary centre.

Portuguese, Dutch and British

Whether or not, and in what manner, Malacca would have succumbed to local attacks and pressures after the fashion of Sri Vijaya and

[1] D.G.E. Hall, *A History of South-East Asia* (London, 1964), chs. 2, 3, 4, and 10; Sir Richard O. Winstedt, *A History of Malaya,* rev. ed. (Singapore, 1962), chs. 1 and 2. Generally, see also: Paul Wheatley, *Impressions of the Malay Peninsula in Ancient Times* (Singapore, 1964); "The Sejarah Melayu" (History of the Malays), trs. C.C. Brown, *Journal of the Malayan Branch of the Royal Asiatic Society,* Vol. 25, Parts 2 and 3 (Singapore, 1952).

Majapahit can only be speculated upon. At the height of its ascendancy Malacca fell a victim to the Portuguese attempt to open up a trade route to the Far East. In pursuit of this aim Vasco da Gama had reached India in 1498. The great Albuquerque sent a fleet from Goa which reached Malacca in 1509, and the port was captured by Albuquerque himself two years later. The Malacca dynasty fled south and eventually established a new capital in Johore. The Portuguese never kept a large garrison in Malacca, and they were subject to frequent attacks, mainly from Johore and from the Muslim kingdom of Acheh in northern Sumatra. Their lines of communication were overextended, and their fleet was beaten by the Dutch in the Straits of Malacca in 1606. The Dutch motive in penetrating so far east was also trade. Although they reaped no immediate advantage from their sea victory, they established themselves in Batavia, Java, in 1619. By this time Malacca's own importance as a trading centre had declined. When the Dutch finally captured it in 1641, the motive was not to make a direct profit from its use, but rather to incorporate it in a system of trading bases and to *deny* it to the Portuguese.

During the next century or so Dutch attention was concentrated on establishing and enforcing monopolies, for example in tin, in the states surrounding Malacca, and in repelling the attacks of the Bugis warriors, who originally had come from the Celebes. Early in the eighteenth century the Bugis gained virtual control of the Malay Johore kingdom, which was based on the Riau Islands, off Singapore. The Bugis raids reached as far north as Kedah and seriously disrupted the trading activities of the Dutch. By 1785, the Dutch, by force of arms, had succeeded in imposing a Resident at the Court of Riau, temporarily removing the Bugis.

After the Dutch capture of Malacca the northern Malay states, Kedah, Kelantan and Trengganu, fell under Siamese suzerainty, sometimes effectively, sometimes only nominally. The sending, from time to time, of the "golden flowers" (*bunga emas*) to Siam could be interpreted either as a free-will offering or as tribute. Towards the end of the eighteenth century the British came upon the scene, partly in search of trade like most Westerners; more specifically, they were looking for settlements to further their trade with China, and bases from which to prevent French domination of the Indian Ocean. The Sultan of Kedah, anxious for assistance against the Siamese, leased the island of Penang to Captain Francis Light, acting for the British East India Company, in 1786. The Company agreed to pay an

annual sum for Penang, and for the adjacent area of Province Wellesley. But Kedah failed to obtain any military guarantee, and the Siamese conquered it in 1821 and ruled it directly until 1842.

Malacca was added to Penang when the British took it over in 1795, as a result of the Dutch war against the French, who had occupied Holland the year before. It was later returned to the Dutch, but by the Anglo-Dutch treaty of 1824 was exchanged for the Island of Bencoolen in Sumatra. This marked the end of Dutch claims to Malaya. The British sphere of influence had by now been extended to include Singapore. In 1819 this barely inhabited island had been chosen for greatness by Sir Stamford Raffles, an official of the East India Company, who had had a meteoric rise in the Company's service and had already been Lieutenant-Governor of Java during the British occupation a few years before. The foundation of Singapore was "legalized" by the agreement of the eldest son of the deceased Sultan of Riau, who had been passed over by the Bugis in favour of a younger brother. As a fair exchange, the British recognized him as Sultan. It was the intention of Raffles that Singapore should become a free port, and its rapid growth in population and trade in the next few years fully justified his expectations. Of the three "Straits Settlements"—Singapore, Penang, and Malacca, combined in 1826 and governed from India—Singapore had by far the fastest rate of growth, Malacca the slowest. In 1832 Singapore became the capital of the Straits Settlements in place of Penang.

In 1826 the British, in a treaty with Siam, implicitly acknowledged that the states of Kedah (which then included the territory of the future state of Perlis), Kelantan, and Trengganu were in the Siamese sphere of influence. The rest of the peninsula was in the British sphere, but at this time the British had no reason to follow an expansionist policy. Expansion would have cost money, and the simple economy of the Malays did not then yield enough beyond subsistence to justify the expense. British activity was limited, essentially, to preventing further penetration by Siam and to suppressing piracy.

Indigenous Government

The way in which the west coast states[2] were ruled up to this time has been admirably described by J.M. Gullick. The superstructure of

[2] The history of the east coast has been relatively neglected (Tan Kah Peng, "Setting the Record Straight on History", *New Sunday Times*, 9 November 1975). On Kelantan, see William R. Roff, ed., *Kelantan: Religion, Society and Politics in a Malay State* (Kuala Lumpur, 1974).

government which hedged the Ruler was elaborate in comparison with his rather limited powers.[3] In spite of the pomp and circumstance of the Rulers and their role in symbolizing and preserving the unity of the state, the chiefs "under" them were in practice largely independent. A chief "did pretty much as he pleased so long as he professed allegiance to the ruler, did not interfere with him or his relatives, and gave to him some small portion of the taxes squeezed from Malay *raiyats* (peasants) and Chinese miners and traders."[4] The basis of the chief's power was a band of fighting men and, usually, a strategic position on a river, from which, like a medieval European baron on the Rhine, he could levy toll on passing boats. In more than one sense the system in each state was highly mobile. Succession to the office of Ruler was not in fact governed by fixed rules, so there was considerable opportunity for the circulation of elites. Mobility was also spatial, as is illustrated by the journeyings of the Sultans of Riau-Johore after they had to leave Malacca. Those who were followers of Rulers and chiefs were also relatively mobile. There was no general shortage of land, and, apart from limits imposed by the existence of slaves and debt-bondmen,[5] those who felt themselves unduly oppressed could always move on. The situation was in marked contrast to societies where water was scarce and the power of government was enforced by its control over irrigation.[6] In western Malaya elements of despotism were tempered by elements of anarchy.

British Expansion—Indirect Rule

Originally the British were not much concerned with the Malayan hinterland, so long as disorder did not impinge on their interests. Their attention was directed outwards, towards the trade which was carried on via the Straits Settlements. But in the middle of the nineteenth century the situation changed, and so did British policy. An important reason for this was an increase in the scale of tin mining in Perak and Selangor. The miners were largely Chinese, whose addition to the immigrants already in the Straits Settlements eventually contributed to producing a multi-racial society—and its problems.

[3] J.M. Gullick, *Indigenous Political Systems of Western Malaya* (London, 1958), ch. 4, where the relations between ruling class and subject class are also discussed.

[4] Sir Frank Swettenham, *The Real Malay* (London, 1907), p. 258.

[5] Gullick, op. cit., pp. 104-5.

[6] Karl Wittfogel, *Oriental Despotism* (New Haven, 1957).

The immediate effect, however, was to open up new possible sources of revenue for Malay Rulers and chiefs, if they could gain control of the areas where tin was mined. A new financial edge was given to the previous intermittent disputes between Malay Rulers and chiefs. Alliances were formed between Malay and Chinese groups, and there was heavy fighting between them. British firms in the Straits Settlements were commercially interested in preventing the trade in tin from being disrupted by the more intensive fighting. They therefore pressed the Colonial Office, which since 1867 had controlled the Straits Settlements, to agree to intervention. "The idea of the Straits Settlements merchants was that the Colonial Office should authorize a policy which could lead only to military and naval expense. The profits would go to Straits investors (who paid practically nothing in taxation), and the cost would fall on the British taxpayer."[7] Earlier requests for intervention had been resisted. But the new Governor of the Straits Settlements, Sir Andrew Clarke, appointed in 1873, had been given instructions to recommend how peace and order might be restored and to report whether it might be desirable to appoint a British resident adviser in any of the states. The state which claimed the early attention of the new Governor was Perak. In spite of, or because of, a structure of government which included fantastically elaborate provisions to determine the succession on the death of a Sultan,[8] in 1873 there were three claimants to the throne. One of these sought British help to advance his cause, stating his willingness to accept a British adviser. A meeting of the Perak chiefs chose, with some guidance from the British, this particular claimant as Sultan. By the "Pangkor Engagement" (1874) provision was made for a British Resident (and Assistant Resident), "whose advice must be asked and acted upon [on] all questions other than those touching Malay Religion and Custom."[9] The system of Residents was afterwards applied to the states of Selangor, Pahang, and Negri Sembilan. It was apparently assumed, originally, that a single white man could solve all difficulties by tactful advice.[10] The position of the Resident in each state was awkward, and his task indeed delicate. Technically, he was

[7] C. Northcote Parkinson, *British Intervention in Malaya, 1867-1877* (Singapore, 1960), p. 62.

[8] Sir Frank Swettenham, *British Malaya,* rev. ed. (London, 1948), pp. 120 ff.

[9] Parkinson, op. cit., pp. 136-7.

[10] Swettenham, *British Malaya,* op. cit., p. 214.

an adviser rather than a ruler; in practice he was expected to be more than this. But after the death by violence of the impetuous Resident of Perak, and a single example of the use of armed force by the British to avenge it, the system worked quite smoothly. The Rulers were reconciled to it, partly by the tact of the Residents, but also by regular payments in exchange for former revenues they had given up and by the institution of State Councils, which nominally advised them, although actually advising the Resident.

The four states, as contrasted with the Straits Settlements, were examples of indirect rule. Indeed Sir Frank Swettenham[11] claimed that the British concept of indirect rule originated in Malaya and not, as is often supposed, in Africa. The advantages of indirect rule, for the ruling colonial power, include cheapness, and for the ruled, a softening of the impact of colonialism.[12] However, this second "benefit" is ambiguous; the protective cushion of indirect rule might also be poor preparation for later exposure to change.

Federated and Unfederated States —"Decentralization"

When the system of indirect rule had been established in four states, there was a tendency for each Resident to go his own way in administration,[13] and some coordination became necessary. Consequently the states were formed into a "Federation" in 1895. This was not a "federation" in the accepted sense of a system of government, in which powers are divided between a federal government and state governments. The Rulers of the four states agreed to accept a British Resident-General and to follow his advice; the only sphere in which they were not obliged to follow it was on questions touching Malay religion and custom.[14] The four Residents were made responsible to the Resident-General, who was in turn responsible to the Governor of the Straits Settlements, who would in the future also be High Commissioner for the Federated Malay States. Every important government department in the four states was put under a single administrative head, responsible to the Resident-General for securing

[11] Swettenham, *Footprints in Malaya* (London, 1942), p. 101.

[12] Rupert Emerson, *Malaysia, A Study in Direct and Indirect Rule* (New York, 1937), pp. 7 ff.

[13] Swettenham, *British Malaya,* rev. ed. (London, 1948), p. 251.

[14] S.W. Jones, *Public Administration in Malaya* (London, 1953), p. 19.

uniformity in the states. In 1909 a Federal Council was created, consisting of the Rulers, the Resident-General, the four British Residents, and four "unofficial" members nominated by the Governor, who presided over the Council in his capacity as High Commissioner of the Federated Malay States. In 1911 the position of Resident-General was abolished and his duties given to a "Chief Secretary". These changes may have resulted from a desire to reassure the Rulers who feared that administration was becoming too centralized. But in practice they had an opposite effect, and the legislative powers of the states were diminished. Starting with Perak, in 1877, the states had set up State Councils, and legislative authority lay in the Ruler in State Council, of which the Resident was a member. But the new Federal Council could pass laws intended to have force throughout the Federation or in more than one state, and laws passed by a State Council would not be valid if they were repugnant to the provisions of the laws passed by the Federal Council.[15] Nor did the Rulers find that their own powers were appreciably increased by their sitting on the Federal Council, where their status prevented them from freely taking part in debate. In 1927 they ceased to be members of the Council and instead a Durbar of Rulers was set up, consisting of the four Rulers, the High Commissioner, and the Federal Secretary. This body was the forerunner of the Conference of Rulers in the present Constitution.

After Britain's *entente cordiale* with France in 1904 it was free to make advances in northern Malaya without fear of French countermoves in or against Siam. In 1909 the four northern states were transferred to British rule, and in time all the Rulers accepted British advisers. In 1914, the Sultan of Johore, who in many ways was more British than the British and prided himself on his friendship with Queen Victoria, accepted a British "General Adviser". The five states—Kedah, Perlis, Kelantan, Trengganu, and Johore—were not included in the Federation, and were therefore referred to as the "Unfederated States".

There were further constitutional changes before the Second World War, but they did not destroy the division into Straits Settlements, Federated Malay States, and Unfederated Malay States. Apparently the British wished to bring the Unfederated Malay States into the

[15] In the intervening period, 1895-1909, there was no Federation organ of government with legislative functions. The technique used was for a federal official to draft a law which was passed by each State Council in practically identical form (Jones, op. cit., p. 34).

Federation; they did not, however, attempt to do so by force but rather by trying to make conditions inside the Federation more attractive to the states outside. This was one of the motives behind the policy of "decentralization" pursued in the 1920s and 1930s by Governors Sir Lawrence Guillemard and Sir Cecil Clementi.[16] The decentralization policy had limited results. Some administrative departments were handed over to the states from the Federation, state budgets rose, and state administrations were strengthened. In 1935 the Chief Secretary was replaced by a Federal Secretary who was lower in status. There was opposition to decentralization from European and Chinese unofficial members on the Federal Council, who feared that the state governments would be freed from effective control by the Federation and that financial stability and favourable conditions for trade would be damaged. Also, it was by no means clear exactly what authorities or persons would gain from a decrease in the power of the Chief Secretary. Might "decentralization" not lead to an increase in the power of the High Commissioner and to greater weight being given to interests in Singapore? In this sense, might it not even lead, paradoxically, to more *centralization*? Even if state powers were in fact increased, which *persons* would benefit? Would it be the Residents or the members of the State Councils? And would there not have to be an increase in non-Malay representation on the State Councils? In Emerson's view the constitutional structure of the states had survived partly because they were only backwaters. If the states were given greater powers, the old structures might be too weak to carry them and would have to be remodelled.[17] The Unfederated States were not tempted by decentralization and remained outside the Federation. The whole tripartite structure continued to be held together, constitutionally, by the Governor of the Straits Settlements, who, in his capacity as High Commissioner, was the superior of the Federal Secretary, who was responsible for the Federated Malay States, and to whom the advisers in the Unfederated States reported directly. The Governor was himself responsible to the Colonial Office in Britain.

Although constitutional changes took place, there were few signs of an approach to democratic elections before the Second World War. In the Straits Settlements, where Western democratic ideas were most familiar, there was a Crown Colony type of government, with a

[16] Emerson, op. cit., pp. 154-73 and 324-44.

[17] Ibid., p. 342.

Governor, an Executive Council with advisory functions and a Legislative Council. On both of these councils there were "unofficial" members, that is, persons who were not employed by the Government, but they were appointed, not elected. Two of the unofficials on the Legislative Council were chosen by the Singapore and Penang Chambers of Commerce. Although these two councils and the Federal Council in the Federated Malay States were, in constitutional theory, purely advisory, in practice the Governor paid considerable attention to the wishes of the unofficial members who represented important local interests.[18]

Economic Development— Chinese and Indian Immigration

Economic development outside the Straits Settlements had originally been based on tin. But, in the first decade of the twentieth century, rubber, which had previously been planted only experimentally in Malaya, boomed with the invention of the pneumatic tyre for automobiles. From this time on, the economy became heavily dependent on both rubber and tin. The severe drop in the prices of these commodities during the world depression of the 1930s hit Malaya hard, and led it to participate in restrictionist schemes. Development was aided by an improvement in communications, both externally (through the opening of the Suez Canal in 1869, which cut the sea journey from England by more than half) and internally through the building of roads and railways. Differences in development did not quite correspond to the division into Federated and Unfederated States. Pahang, which was relatively underdeveloped, was in the Federated Malay States. And there were considerable differences within the Unfederated States. Johore was the most developed, Kelantan and Trengganu, with a largely Malay population and poor communications with the rest of Malaya, the least developed.[19]

Economic development in Malaya was carried on almost entirely by

[18] Lennox A. Mills, "Malaya", *The New World of Southeast Asia,* L.A. Mills, ed. (Minneapolis, 1949), p. 180.

[19] Indices of development are many. One, with the merit of novelty, is that it varies inversely with the number of tigers per square mile (estimates of tigers for the early twentieth century from A. Locke, *The Tigers of Trengganu* (London, 1954)). The indices are: Trengganu and Kelantan, 0.9; Pahang, 0.8; Perlis, 0.7; Perak, 0.5; Johore and Kedah, 0.4; Malacca, 0.2; Selangor and Negri Sembilan, 0.1; Penang, 0.

non-Malays, mostly Europeans and Chinese. After 1900 European enterprise became dominant, and Chinese enterprise, which had been prominent in tin, suffered a relative, although not an absolute, decline.[20] It is significant that when Swettenham commented upon how far the prosperity of the Federated Malay States was attributable to different groups, he considered the contributions of Chinese entrepreneurs, European entrepreneurs, and British government officials, but did not even think it worthwhile to mention the Malays.[21] It followed, therefore, that immigration was greatest in the areas which were most economically developed, namely the west coast apart from the extreme north. But there is no simple way of describing in a few words the character of the immigration.[22] Among the Chinese, the earlier immigrants to the Straits Settlements (the "Straits Chinese") acquired roots, and some intermarried with Malays. The Chinese who came later did not intend to stay; their aim, like the corresponding aim of British traders, was to make money and retire to their homeland. Some were brought to Malaya under appalling conditions and worked under a system of indenture which, in order to pay the cost of their passage and board, left them as badly off, temporarily, as slaves. Others were successful in becoming traders. Although in China they had been farmers or artisans, they were enterprising and adventurous, and their understanding of money, and the manipulation of men in relation to money, laid the foundation of business success.[23] In this transient population the ratio of males to females was high. There were population fluctuations according to the prosperity of the economy—for instance, the number of immigrants dropped during the depression of the early 1930s. But later in the 1930s, when fighting between the Chinese and Japanese in China became intense, the immigrants remained instead of returning to China. Also, partly because of government restrictions on male immigration introduced shortly before the war, the proportion of women among the Chinese rose.

[20] G.C. Allen and A. Donithorne, *Western Enterprise in Indonesia and Malaya* (London, 1957), p. 42.

[21] Swettenham, *British Malaya,* p. 301.

[22] Victor Purcell, *The Chinese in Malaya* (London, 1948) and *The Chinese in Modern Malaya* (Singapore, 1960)

[23] M. Freedman, "The Growth of a Plural Society in Malaya", *Pacific Affairs,* Vol. XXXIII, No. 2 (1960), p. 162.

Partly because of the transient nature of the Chinese population and partly because the British, in their colonial policy, still practised *laissez-faire,* little was done by the Government for the Chinese in the early stages of their immigration, except to try to provide the minimum conditions of law and order. Any analysis of British prewar policy in Malaya which criticizes the Government for not welding the Chinese into a Malayan nation is making illegitimate use of hindsight. In the Straits Settlements, government of the Chinese was originally indirect. Rule was by Chinese custom administered by a Chinese headman ("Captain" or "Kapitan"). The headman was often also an important figure in a Chinese secret society.[24] In the absence of an appreciable degree of government control, the secret societies played a major role in organizing and ordering the life of the Chinese. Their power was probably greater than that of, say, Tammany Hall in the United States. Closer control was attempted in 1877 when a Chinese protectorate was established. This was intended to deal with secret societies, whose criminal functions were often more prominent than their benevolent functions. It was also meant to control Chinese labour and immigration, the traffic in women for the purpose of prostitution and the suppression of a form of domestic servitude, known as *mui tsai* ("younger sisters"). This list of the protectorate's activities is rather a statement of intentions than a record of achievements. For instance, the passing of a law on secret societies in 1889 did not render them powerless. But the general tendency was to try to replace indirect rule of the Chinese by direct rule. However, the British, viewing the Chinese as transients, did not accord them equal treatment with the Malays. There were government schools and also mission schools (where the teaching was in English) that Chinese could attend, and from 1920 onward some Chinese schools were given government grants-in-aid. But, although some free education was provided, it was in Malay and not in Chinese.

In several senses the Chinese immigrants and their descendants were not homogeneous. Some of the earlier arrivals, the "Straits Chinese", were relatively well assimilated into the Malay population, but other Chinese were not. Some young Chinese schooled in Malaya had been educated in English; others had not. Unlike other Southeast Asian Countries, where Chinese formed only two or three per cent of

[24] Wilfred Blythe, *The Impact of Chinese Secret Societies in Malaya* (London, 1969); Victor Purcell, *The Memoirs of a Malayan Official* (London, 1965), ch.9.

the population, in Malaya the number of Chinese was too great for them to be overwhelmingly concentrated in a narrow group of occupations, such as retail trade. Finally, although geography dictated that the great majority of the immigrants came from south China, they were split among several major dialect groups[25] and a number of minor ones. The different dialect groups tended to specialize in different occupations.

The "Indians" in Malaya were not homogeneous, either.[26] Most of them were South Indians, largely Tamils, but even among the Tamils some had not come direct from India but had arrived via Ceylon. There was a sizeable Sikh community, and also a number of Muslims. Many of the Indians were "imported", rather as if they were a commodity,[27] to work on the rubber estates, and were "exported" again when the economic demand for them fell. However, control of Indian immigration and working conditions was strict, if paternalistic, partly because of the Indian Government's concern that the immigrants should have some protection.

Japanese Invasion and Occupation

The transition from prewar to postwar politics in Malaya was accomplished, painfully, through a Japanese invasion. The construction of the Singapore naval base, begun in the 1920s, depended on the risky assumption that the British navy would not have to fight two enemies at once, one in the West, the other in the Far East. The gamble failed. After the fall of France the Japanese occupied French Indo-China, within easy range (400 miles) for striking north Malaya by air. On 7 December 1941, almost simultaneously with the bombing of Pearl Harbor, the Japanese landed troops at Singora in southern Thailand. In ten weeks the whole of Malaya and the island fortress of Singapore, undefended on the northern or landward side, had been conquered. It is a usual British practice to claim that military defeats were in reality epic delaying actions. Perhaps it is more accurate to view the fall of Malaya and Singapore as "the worst disaster and largest

[25] Hokkien, Cantonese, Hakka (these three making up about 70 per cent of the total), Teochew, Hainanese.

[26] Kernial Singh Sandhu, *Indians in Malaya: Some Aspects of their Immigration and Settlement* (Cambridge, 1969).

[27] T.H. Silcock and Ungku Aziz, "Nationalism in Malaya", *Asian Nationalism and the West,* William L. Holland, ed. (New York, 1953), pp. 274-5.

capitulation in British history''.[28] The British were clearly unprepared for war, as compared with the Japanese, in numbers and quality of aircraft and in the state of training of their troops and the ability of their commanders.[29]

The British had not succeeded in mobilizing the people of Malaya against the Japanese. During the occupation, however, the Japanese pursued racial policies based on expediency, which attempted to mobilize some sections of the local population in their favour.[30] Because of the war with China they were already committed to being anti-Chinese in Malaya. The Chinese were equally committed, and the resistance movement consisted mostly of Chinese, among whom communists were the best organized. The Japanese, however, took advantage of Indian nationalist aspirations by recruiting for the Indian National Army, intended to take part in the liberation of India. The policy towards the Malays was more equivocal. On the one hand the four northern, largely Malay, states of Kedah, Perlis, Kelantan, and Trengganu were transferred to Thailand. On the other hand, under Japanese military government, some Malays in the civil service were promoted to posts higher than those they had occupied under the British. The Japanese also encouraged Malay nationalist movements which they thought they could control. Among these was the KMM (Union of Malay Youth), a left wing group under the leadership of Ibrahim bin Yaacob, founded in 1937 to advocate independence for Malaya and union with Indonesia. Another such organization was KRIS (People's Association of Peninsular Indonesia).

The fighting in Malaya led to destruction of tin-mining equipment and the means of communication. Later in the war the export industries came to a halt because of a lack of Japanese ships to transport their products. Food shortages, disease, and inflation marked the continuation and the end of the occupation.

[28] Sir Winston Churchill, *The Second World War* (London, 1951), Vol. IV, p. 81.

[29] *Second Supplement to the London Gazette of Friday, the 20th of February, 1948* (London, 1948), paras. 690-1. This contains the despatch of the British Commander, General Percival, published six years after the event. See also Frank Owen, *The Fall of Singapore* (London, 1960).

[30] Yoichi Itagaki, "Some Aspects of the Japanese Policy for Malaya Under the Occupation, with Special Reference to Nationalism", *Papers on Malayan History*, K.G. Tregonning, ed. (Singapore, 1962).

3
MALAYA, 1945-57

Malaya—Problems of a Plural Society

Until the Japanese occupation British rule had largely prevented open expressions of racial tensions and antagonisms. In the process of government the elites, or near-elites, of each racial group dealt with the British rather than directly with each other. This tendency was accentuated by the different forms of government for different parts of Malaya—Straits Settlements, Federated, and Unfederated States—which only the British were in a position to coordinate. There were no elections and no political mass movements. Malaya was an extreme example of a plural society.[1] Its ethnic groups were also divided, largely along the same lines of cleavage, by religion and by language. They also had specialized roles in the productive process. Rupert Emerson stated the position before independence in a striking way. "Divided from each other in almost every respect, the peoples of Malaya have in common essentially only the fact that they live in the same country."[2]

Before the war the existence of a plural society caused the mechanics of government to be somewhat complicated; for instance, the existence of large numbers of unassimilated Chinese made it necessary to set up a special "Chinese Protectorate". But it also made the political aspects of British rule simpler. It was taken as axiomatic that there could be no self-government in such a society. The Government could not represent "the people" because there were no "people".[3] Even in 1945 "the development of nationalism in Malaya seemed twenty-five years behind the rest of Southeast Asia".[4]

It would be incorrect to say that the British pursued a policy of "divide and rule",[5] They did not need to divide—the divisions were

[1] In the sense used by J.S. Furnivall, *Colonial Policy and Practice* (Cambridge, England, 1948), p. 304.

[2] In the foreword to F.H.H. King, *The New Malayan Nation* (New York, 1957), p.v.

[3] Furnivall, op. cit., p. 489.

[4] John Kerry King, *Southeast Asia in Perspective* (New York, 1956), p. 43.

[5] Cf. R.S. Milne, "Politics and Government", *Malaysia: A Survey,* Wang Gungwu, ed. (New York, 1964), p. 328.

already there. Nor were they committed to opposition to one of the races in Malaya (as the Japanese were committed to being anti-Chinese during their occupation). They tried to hold a balance between the races, at the same time having an attachment to the Malays as the "original" inhabitants. The British failure lay rather in not perceiving that colonial regimes are by their nature transient, and in failing to foresee the consequences of large-scale immigration. With hindsight we can see that the British should either have placed more restrictions on immigration, or should have done something during the "no politics" period between the wars to help to build up a political system for a plural society.[6]

In creating a self-governing state from a colonial plural society the problem presented by the Chinese was of an infinitely more complex order than that of the Indians. The number of Indians in Malaya was relatively smaller, and the concern with the politics of India of those who stayed was not of major importance. The only exception was the interest shown by some Indians, during the occupation, in the Japanese proposals to liberate India. When India won independence in 1947, its Government encouraged Indians who had become permanent residents in other countries to be good citizens of these countries. With the Chinese, however, the fear was that the Western impact had produced two nations in Malaya, one of which was merely an extension of the Chinese nation in China itself. This fear was accentuated by the overseas influence of the nationalist movement in China, which was expressed in the founding of the Kuomintang in 1912. When this nationalist movement penetrated Malaya, it did not specifically aim at its annexation as a nineteenth province of China.[7] But after the Kuomintang (KMT) became the Chinese Government it relied on the overseas Chinese for money, especially after the start of the Sino-Japanese war. It also worked hard to keep the overseas Chinese patriotic towards China, claiming that all Chinese overseas, even if they had been born overseas, were citizens of China. The British were naturally suspicious of such a policy, and banned the KMT in Malaya in 1930. It was only after the Japanese invasion of Malaya, when China and Britain became allies, that KMT activities in

[6] T.H. Silcock, "Forces for Unity in Malaya", *International Affairs,* Vol. XXV, No. 4 (1949), p. 460.

[7] Png Poh Seng, "The Kuomintang in Malaya, 1912-1941", *Journal of Southeast Asian History,* Vol. II, No. 1 (1961), p. 15.

Malaya ceased to be a source of friction between the two countries, and the ban was modified. The Chinese Communist Party worked to some extent through the KMT, but it also concentrated on certain Middle School students and trade unionists. Anti-Japanese guerilla activities were conducted largely by Chinese communists, who formed the nucleus of the Malayan People's Anti-Japanese Army (MPAJA), with some British assistance.

When the Japanese surrendered, detachments of the MPAJA were in effective control of some parts of the country, and it took some time to disarm them. Incidents and fighting took place in several states, in which racial resentments, sharpened during the occupation, were given free rein. It is significant that when the Sultan of Perak called on his subjects in May 1975 to support the Government against communist guerillas, he reminded them not of atrocities committed during the Emergency, but of those experienced immediately after the Japanese occupation.[8]

The nature of Malay nationalism is more elusive than that of Chinese nationalism in Malaya. Malay nationalism was not primarily an "extension" of anything else. But to what degree was it self-generated, to what extent a blending of native and external elements? Malay nationalism was certainly partly inspired from abroad. In one sense it took the form of a pan-Islamic loyalty to the Caliph of Turkey, head of the Sunni religious sect, before the Caliphate was ended by Ataturk in 1924. It was also affected through the small, but influential, number of Malays who went to study in Cairo, and by nationalist movements in Indonesia. In its first (or religious) stage, Malay nationalism was expressed through an increasing number of clubs and religious schools and in a growth of Islamic literature. Later, the religious stage was followed by an economic and social stage and, from about 1937, by a political stage.[9]

The key to understanding the nature of Malay nationalism is that whatever external influences existed could find expression only through the existing Malay social structure. Before the war this was overwhelmingly feudal and conservative. In Indonesia a new elite, which was middle-class and Western-educated, developed earlier.[10]

[8] *New Straits Times,* 26 May 1975.

[9] Radin Soenarno, "Malay Nationalism, 1900-1945", *Journal of Southeast Asian History,* Vol. I, No. 1 (1960), p. 17.

[10] Ibid., p. 28.

But in Malaya, in spite of the influence of a few who had been Arabic-educated, or who were impressed by the example of Indonesia, Malay leadership was confined largely to the English-educated, and primarily to those of royal blood who had attended the elite Malay College at Kuala Kangsar, established in 1905. The presence of large numbers of Chinese and Indians and the British policy of "protecting" the Malays had prevented the growth of an economic middle class (as in the Dutch East Indies) which might have headed a substantial radical nationalist movement. In the states, towards the end of the nineteenth century, a professional religious hierarchy was built up with British support.[11] This became identified with rural-centred Islam and with the traditional ruling class, an alliance of traditional forces that was unbreakable.[12] Consequently an intellectual Malay nationalist might have no love for the old feudal system, but might still be unwilling to see it swept away if any step towards constitutional reform were to give political power to non-Malay groups. A few Malay nationalists, such as Ahmad Boestamam, Ibrahim bin Yaacob and Dr Burhanuddin, felt differently and rejected the existing social order, working through such organizations as KMM, KRIS and, after the war, the Malay Nationalist Party (MNP). But their numbers were small. When exposed to prospects of change, the Malays instinctively turned towards their traditional leaders.

Malayan Union

This tendency was well illustrated soon after the war ended. When the British took over again in Malaya they proposed, and set up, a new type of government, the Malayan Union, which was to include the whole Malay Peninsula and to exclude Singapore.[13] The exclusion of Singapore was economically unjustified; union with Malaya could have been reconciled even with the retention of its large entrepot trade, as was attempted inside Malaysia, 1963-65. However, Malaya and Singapore continued to use the same currency and maintained close commercial and banking links. Politically, the non-inclusion of Singapore may have been intended to please the Malays by leaving out

[11] Gordon P. Means, "The Role of Islam in the Political Development of Malaysia", *Comparative Politics,* Vol. 1, No. 2 (1969), pp. 269, 274-6.

[12] William R. Roff, *The Origins of Malay Nationalism* (New Haven, 1967), especially chs. 3 and 7 and "Retrospect".

[13] *Malayan Union and Singapore* (Cmd. 6724) (London, 1946).

an area with a population which was over three-quarters Chinese. The British may also have wished to safeguard their Singapore naval base from objections by a future government of an independent Malaya. But there was no great controversy over the exclusion of Singapore. The provisions which excited real opposition were those relating to the new Malayan Union. They embodied a move towards direct rule by the British, compared with the prewar system which was largely indirect; they also improved the position of the non-Malays, politically. The Malay Rulers were to lose their sovereignty to the British Crown, which would be represented in Malaya by a British Governor. They would retain their thrones, and their personal residences and allowances, but the chief function of each Ruler would be merely to preside over an Advisory Malay Council, dealing mainly with laws on the Muslim religion. The citizenship proposals provided that citizenship could be acquired by having been born locally (in Malaya or Singapore), or having resided locally for a certain period of time. Application for citizenship could be made after a shorter period if an oath of allegiance were taken. The provisions were to be the same, whether for Chinese, Indians and others, or for Malays.[14] In any future system of democratic elections this would increase the voting power of non-Malays compared with the Malays. Non-Malays would also be given access to some branches of the civil service which had not been open to them previously. These provisions struck at the privileged position of the Malays at a time when racial feelings had been intensified by the occupation. Also, as has been remarked already, in any situation of racial stress the Malays looked towards their own feudal elite. But, by the Malayan Union proposals, the highest members of this elite, in the person of the Rulers, were to be downgraded along with the mass of the Malays. Insult was added to injury by the methods the British used to have the proposals accepted by the Rulers. A special representative, Sir Harold MacMichael,[15] was sent out to get a "shotgun" signature, consenting to the Malayan Union proposals, from each Ruler in turn. The shotgun consisted of the representative's power to recommend the deposition of a Ruler, if his conduct had been unsatisfactory during the Japanese occupation.

[14] The British Secretary of State spoke of "the need to promote the sense of unity and common citizenship which will develop the country's strength and capacity in due course for self-government within the British Commonwealth" (*House of Commons Debates*, Vol. 414, col. 255, 10 October 1945).

[15] *Report on a Mission to Malaya* by Sir Harold MacMichael (Kuala Lumpur, 1946).

The Rulers signed, but a series of explosive reactions followed in London and Malaya.

The Malayan Union scheme had been hatched in London during the war.[16] Some of the ideas behind it were laudable; the desire to create a Malayan state as a prelude to creating a Malayan consciousness, and a wish for greater centralization and efficiency, and for less state particularism and dynastic pride, were linked to the need for a quick rehabilitation of the rubber and tin industries. However, some proposals accompanying the unification plan were objectionable to the Malays, notably those on citizenship and civil service positions. The *manner* in which the scheme was introduced, with a high element of coercion and a low degree of consultation, was also repellent.[17]

In London, letters to *The Times* were written by the "old Malaya hands" in retirement, whose names, including Swettenham, Maxwell, Winstedt, and Clementi, summarized the history of British rule in Malaya over the previous seventy years. The detonations in Malaya were more surprising. The Malays were shaken out of their political apathy and their state particularism. The intensity of feeling was shown by the fact that even Malay women took part in demonstrations of protest. Opposition was at first concentrated in the Peninsular Malay Movement in Johore, initiated largely by Dato Onn bin Ja'afar, the Mentri Besar of Johore.[18] Under his leadership a Pan-Malayan Malay Congress was held in March and May 1946, which recommended the creation of a United Malays National Organization (UMNO). The Congress, and later UMNO, instituted a boycott of the Malayan Union, which was joined even by the Rulers when they refused to attend the installation ceremony of the Malayan Union's first Governor. The British had gravely underestimated Malay opposition to their plan.

Non-Malays were apathetic about the scheme,[19] although some

[16] James de V. Allen, *The Malayan Union* (New Haven, 1967), ch. 1.

[17] Mohamed Noordin Sopiee, *From Malayan Union to Singapore Separation: Political Unification in the Malaysian Region 1945-1965* (Kuala Lumpur, 1974), pp. 21-4.

[18] Ishak bin Tadin, "Dato Onn, 1946-1951", *Journal of Southeast Asian History*, Vol. 1, No. 1 (1960), pp. 61-8; Gordon P. Means, *Malaysian Politics* (London, 1970), pp. 99-102.

[19] For a statement of the view that Chinese and Indians were uninterested because the scheme was colonial and undemocratic, see M.R. Stenson, "The Malayan Union and the Historians", *Journal of Southeast Asian History*, Vol. X, No. 2 (1969), p. 347.

organizations, like the left wing Malayan Democratic Union (MDU), protested that non-Malays should have been consulted before the proposals were introduced.

The Federation Agreement, 1948

The weight of the Malay protests persuaded the British that they had moved too far and too fast in attempting to dismantle and refashion the old apparatus of government. After all, the traditional structure, depending on Rulers, District Officers and headmen, was basically a Malay structure, and could not work properly without Malay cooperation. Against them were mobilized Malay political leaders, Rulers, and masses, a sure indication that cooperation would not be forthcoming on the Malayan Union terms. Continued confrontation could lead only to a breakdown of the security situation and to the replacement of the traditional and moderate leaders of UMNO by radicals.[20] At the same time the British did not wish to give up two of their original objectives: the creation of an effective central government and some form of citizenship for which non-Malays as well as Malays could qualify.[21] But there were significant differences in the new approach. Provisions were made for consultation of interests through a Working Committee consisting of representatives of the Government, the Rulers and UMNO, and a Consultative Committee, on which non-Malay communities were represented, and to which the Working Committee's proposals were submitted.[22] Also, no direct attack was made on the sovereignty of the Rulers. The Malayan Union scheme which removed their sovereignty was modified and soon replaced, and the new "Federation of Malaya" came into existence in 1948.

By the Federation of Malaya Agreement, the Central Government consisted of a British High Commissioner, an Executive Council, and a Legislative Council. The High Commissioner had the delicate task of safeguarding both "the special position of the Malays" and also "the legitimate interests of other communities".[23] The Legislative Council

[20] Allen, op. cit., pp. 49 and 57; Mohamed Noordin Sopiee, op. cit., pp. 35-6.

[21] Great Britain, Colonial Office, *Federation of Malaya: A Summary of Revised Constitutional Proposals* (Cmd. 7171) (London, 1947), p. 2.

[22] Karl von Vorys, *Democracy Without Consensus: Communalism and Political Stability in Malaysia* (Princeton, 1975), pp. 76-82.

[23] Federation of Malaya Agreement (Kuala Lumpur, 1948), para. 19(d).

had official members and a larger number of unofficial members, to be nominated by the High Commissioner. It was intended that, in time, some of the latter would be elected. At state level there was a corresponding structure consisting of the Ruler, an Executive Council and a legislative body, the Council of State, with both official and unofficial members. Some important functions, such as land and education, were allocated to the states. But, in the tradition of indirect rule, the Rulers undertook to accept the advice of the High Commissioner except in matters relating to the Muslim religion or the custom of the Malays.[24] The federal Legislative Council could also pass laws on subjects within the field of state functions, for the purpose of ensuring uniformity between states. And, financially, the bulk of state revenue came not from taxes but from grants-in-aid voted by the Legislative Council. Additional provisions for central coordination, for "the safeguarding of the financial stability and credit of the Federal Government",[25] the existence of British civil servants, and transfers from federal to state employment were the High Commissioner's responsibility.[26] Not only was government highly centralized; it was also *colonial,* for ultimately it was directed by the High Commissioner, who was responsible to the Colonial Office in London.

Other features of the scheme of government from 1948 onwards, including the provision for a Conference of Rulers, are contained in the Federation Agreement. The citizenship provisions were complex, but in effect were decidedly stricter for non-Malays than the Malayan Union proposals. Some of them applied almost exclusively to Malays (including persons who had come from Indonesia): for instance those who were subjects of the Ruler of any state. Some provisions covered British subjects (including Chinese and Indians) who had been born in Penang or Malacca and who had resided in the Federation for fifteen years. Most Chinese and Indians could qualify only through their own birth in the Federation and their father's (in some cases, parents') birth and length of residence in the Federation; or their own birth there, combined with their length of residence; or their length of residence in the Federation. In the last case citizenship was not automatic, but could be acquired by application, if the applicant was

[24] Ibid., paras. 5 and 8.

[25] Ibid., para. 19(c).

[26] T.H. Silcock, *The Commonwealth Economy in Southeast Asia* (Durham, North Carolina, 1959), pp. 66-7.

of good character, declared his intention of residing permanently in the Federation, and had an "adequate knowledge" of Malay or English. These requirements were not easily met. In 1949 it was estimated that only about 500,000 of the Chinese residents in the Federation (just under a fifth) had become federal citizens.

The Emergency[27]

The year 1948 marked a new stage in constitutional development. Guerilla fighting broke out, which had profound economic, social, and political implications. During the Japanese occupation the Malayan Communist Party had been active in the MPAJA, and it was only with difficulty that the MPAJA was disbanded at the end of 1945. But in 1948 the communists decided to resort to armed violence, thus creating "the Emergency", which lasted for twelve years and cost directly about 11,000 lives. Among the reasons which induced the communists to resort to "direct action" was their failure to penetrate and control the trade unions by peaceful means. They had attempted this kind of penetration immediately after the war, but the Government had reacted by amending the Trade Union Ordinance, among other things disqualifying from office in the unions any person who had not been employed for at least three years in the industry concerned or who had been convicted of any serious crime, such as extortion. Other reasons for the choice of direct action may have been the improvement in the rice supply since the end of the war and the influence of constitutional reform in attracting moderate opinion to support the Government.[28]

The Emergency set the Government a difficult problem. The number of active rebels was less than 10,000, but their guerilla tactics enabled them to kill and to perpetrate acts of sabotage during raids and then to disappear into the jungle. Although the existing troops and police in Malaya were not trained to meet such tactics, the rebellion failed for a number of reasons. Malaya had no border with a

[27] *The Federation of Malaya Official Year Book, 1962,* ch. xxii has a good factual account of the Emergency.

[28] The British Minister of State for Colonial Affairs (*House of Lords Debates,* Vol. 159, col. 334, 10 November 1948). For other accounts of the timing of the rising and who provoked whom to do what first, see: Anthony Short, *The Communist Insurrection in Malaya, 1948-1960* (London, 1975), pp. 32, 120, 499; Michael R. Stenson, *Repression and Revolt: The Origins of the 1948 Communist Insurrection in Malaya and Singapore* (Athens, Ohio, 1969), pp. 5, 11, 13, 24.

communist state through which reinforcements could be sent, although comparative immunity existed on the Thai border because of the lack of adequate concerted anti-communist efforts between Malaya and Thailand. In the later stages the communists became desperate and indiscriminate in their efforts and resorted to terrorism, which, in the long run, turned more of the population against them. Moreover, the communists were overwhelmingly Chinese. The MCP claimed that "the Malayan revolution is, in its present stage, under the leadership of the proletariat, whose base is the combined strength of the workers and peasants: this is an anti-imperialist and anti-feudalistic national revolution, carried out by the people of various races and classes. It has a national character because it opposes the rule of alien imperialism, demands the right of self-determination and the realization of national liberation."[29] But, racially, this claim was totally inaccurate. If a hard core of rebels was attracted to communism largely because it was Chinese communism, for precisely the same reason Malays and Indians were repelled by it.[30]

The rebels' defeat also resulted from a number of actions by the Government. Some were military, such as the employment of more and better-trained troops, providing the preponderance needed for countering guerillas,[31] as well as the leadership provided pre-eminently by General Templer. Another factor was *avoidance* of reliance on the "illusion" of superior air power.[32] There were also social and political measures, to improve relations between the various ethnic groups and to achieve independence.

The most striking single operation was the establishment of "New Villages", largely inhabited by Chinese. The rebels had been obtaining food from Chinese "squatters", many of whom had settled on the land when tin mines and other enterprises had closed down during the war. If the squatters were left where they were, mainly on the jungle fringes, it would be impossible to prevent them from being coerced by the rebels into supplying food. The solution chosen was the gigantic

[29] Gene Z. Hanrahan, *The Communist Struggle in Malaya* (New York, 1954), p. 101, quoting a communist publication with the English title, *Strategic Problems of the Malayan Revolutionary War.*

[30] Lucian W. Pye, *Guerilla Communism in Malaya* (Princeton, 1965).

[31] Robert O. Tilman, "The Non-lessons of the Malayan Emergency", *Asian Survey,* Vol. VI, No. 8 (1966); Sir Robert Thompson, *Defeating Communist Insurgency: The Lessons of Malaya and Vietnam* (New York, 1966).

[32] Short, op. cit., p. 502.

task of moving about half a million people, including about a fifth of the entire Chinese population, to over 550 New Villages. Settlement in the villages was concentrated, which made it easier to defend them, although it meant that farming activities were more difficult for the inhabitants. There was natural resentment over these forced moves. However, to some extent this was alleviated by Templer's insistence on providing security of tenure for the New Villagers, and on instituting responsible local government in the form of elected village councils.[33]

The main impact of the Emergency was over by about 1955, although it was not formally declared to have ended until 1960. However, later events showed that the communists, although defeated in battle, had not been eliminated.

Towards Independence

It might be thought that the Emergency would have put back the attainment of independence for Malaya. But in fact the Malayans used the Emergency as an argument in favour of independence, maintaining that the communist charge that the rebels were fighting against "imperialism" would lose its force if the government were Malayan and not British. An essential condition of independence, however, was the existence of a political party to which the British could hand over the government on independence. In view of the racial composition of Malaya it was necessary that this party should represent at least the two major races.

At the beginning of the Emergency in 1948 there was a well-established party, the UMNO, entirely a Malay party. Just as the Malayan Union proposals had stimulated the formation of UMNO, so the proposed Federation of Malaya aroused organized opposition. A mixed bag of organizations joined to fight it, which they viewed as representing primarily the interests of the British and the Rulers. The new grouping included the left wing, pro-Indonesian Malay Nationalist Party (MNP),[34] the Malayan Democratic Union (Singapore intellectuals), the Chinese Associated Chambers of Commerce, a number of communist organizations, and the Malayan

[33] Ibid., pp. 339 and 342. For the impact of the Emergency on the Chinese in rural areas, see Han Suyin, *And the Rain My Drink* (London, 1956).

[34] See Burhanuddin Al Helmy, "Towards Tanah Melayu Merdeka". *Merdeka Convention, Papers and Documents* (London, 1957). Dr Burhanuddin, its second President, later became leader of the PAS.

Indian Congress (MIC). This alliance, formed in December 1946 with a slightly different name, called itself the All-Malaya Council of Joint Action (AMCJA). The AMCJA was too heterogeneous to last for long as a single front. A purely Malay grouping, called PUTERA after the initials of its Malay name, standing for "Central Force of the Malay People", was then formed; based on the MNP, it worked together with the AMCJA and the Chinese Associated Chambers of Commerce to put forward alternative constitutional proposals. However, when the Federation of Malaya Constitution came into force in 1948, the AMCJA broke up. When the Emergency was announced some of the member organizations of AMCJA and PUTERA were outlawed. The MDU dissolved, and in 1950 the MNP was banned.[35]

The eventual major partner of UMNO, the Malayan Chinese Association (MCA), was formed in February 1949. Its president was a respected Straits Chinese, Tan Cheng Lock. The MCA had several different roles. Essentially, it rivalled the communists in providing another focus for Chinese loyalties. Socially, it raised funds to help with the resettlement of the Chinese squatters. Looking beyond the immediate future, it was a respectable body which could see to it that Chinese interests were fully considered in any future constitutional changes.

The political activities of the MCA were encouraged by the British, who had also attempted to bring the leaders of the main communities together in the "Communities Liaison Committee" (CLC).[36] Dato Onn, the president of UMNO, who had been active in the CLC, wanted to go even further. At first he tried to work for the inclusion of non-Malays as members of UMNO,[37] but, on encountering resistance, in 1951 he resigned the presidency of UMNO and founded the Independence of Malaya Party (IMP). This body was supported by an impressive number of organizations and individuals, including some leaders of the MCA but not the MCA as an organization, members of the Communities Liaison Committee, the Malayan Indian Congress and several labour and trade union groups. It was also smiled upon by the British. In spite of the important role Dato Onn had played in founding UMNO, it survived his departure and chose as its new

[35] On these groups see Means, *Malaysian Politics*, op. cit., ch. 7.

[36] See pp. 125-6.

[37] Ishak bin Tadin, op. cit., pp. 81 ff.

president, Tunku Abdul Rahman, brother of the Sultan of Kedah. The municipal elections held in Kuala Lumpur in 1952 saw the decisive defeat of the IMP. The UMNO and the MCA formed a purely local *ad hoc* alliance against the IMP, and defeated it by nine seats to two. This arrangement was continued in later elections, resulting in further victories for the alliance. Confident prophecies were made that this inter-communal alliance would not last, but it did. A national Alliance organization was set up in 1953. Communal divisions in Malaya were so deep that it was impossible to form successfully a single non-communal *party*; but they were not too deep to destroy an *alliance* of communal parties. In the next few years the wheel turned full circle. Dato Onn had abandoned the declining IMP and had founded the, in effect, Malay-communal Party Negara. On the other hand, the Alliance, which by 1955 included the UMNO, the MCA, and the MIC, showed at a number of local elections that it had enough support from all the different communities to qualify as the prospective Government when the British handed over power. It also benefited from the fact that Party Negara, which was strong in the Legislative and Executive Councils, became identified with the British-controlled Government.

Steps had already been taken towards giving Malayans more political responsibility when the "member" system was introduced in the Legislative Council in 1951. This "quasi-ministerial" system had made nominated members of the Council responsible for various departments and functions of government, such as education and health. In the following year all these members were included in the Executive Council. This was a usual transitional stage towards independence from British rule, a rehearsal, as it were, for building up an executive which would be responsible for the legislature. Agitation by the Alliance[38] went to the length of ordering its members who served on government councils and official bodies to boycott them. Among other things, it was not satisfied with the British concession that the members to be elected to the Legislative Council should form a majority of the Council (52 out of 98); the non-elected members, apart from the Speaker, consisted of three *ex-officio* members (the Chief Secretary, the Attorney-General and the Financial Secretary), the nine Mentris Besar (Chief Ministers) of the Malay states and one representative from each of the two Settlements, and thirty-two

[38] H. Miller, *Prince and Premier* (London: Harrap, 1959), pp. 147-61.

appointed members.[39] A compromise was arrived at. Some of the nominated members would be appointed by the High Commissioner after consultation with the leader, or leaders, of the elected majority.[40]

At the first general elections, 1955, the Alliance won 51 out of the 52 seats. Tunku Abdul Rahman, who had led the party, was appointed Chief Minister and formed a Cabinet.

The 1957 Constitution

The Alliance victory was followed by a Constitutional Conference, held in London early in 1956, and attended by representatives of the Rulers and the Alliance. It was decided there that Malaya should become fully self-governing and independent within the Commonwealth by August 1957, if possible, and that a Constitutional Commission should be appointed to draw up a draft constitution. The Constitutional Commission consisted of Lord Reid, an English judge, as chairman, and one member each from Britain, Australia, India, and Pakistan. It published its *Report* in 1957. Organizations and individuals, 131 in all, submitted memoranda to the Commission. But the submission of the Alliance, compared with, say, the representations made by the World Fellowship of Buddhists, Selangor, or the Central Electricity Board, had exceptional importance in view of its prospective role as the future Government. Indeed, the Commission, in its *Report,*[41] indicated its particular indebtedness to the Alliance for its memorandum and verbal explanations of it. The Alliance, in particular the UMNO and the MCA, had hammered out proposals which represented, in effect, a "bargain" over the relative constitutional position of the two major races.[42] Only one memorandum was submitted to the Constitutional Commission by the Alliance, in spite of the strains and stresses which inevitably existed between its component parts.

[39] Twenty-two for "scheduled interests" (commerce, planting, mining, trade unions, etc.), three for racial minorities, seven nominated. (*Report of the Federation of Malaya Constitutional Commission* (Kuala Lumpur: Government Printer, 1957), paras. 30 and 32).

[40] Means, *Malaysian Politics,* op. cit., pp. 147-50; von Vorys, op. cit., pp. 113-20.

[41] (Kuala Lumpur, 1957), para. 9.

[42] The process is described in T.H. Tan, "The Struggle of the Alliance for the Independence of the Federation of Malaya", *Merdeka Convention, Papers and Documents,* op. cit.

However, the Constitutional Commission's proposals were not accepted in their entirety. Changes were made after consultations between the British Government, the Rulers, and the Alliance. In effect, concessions were made to the Alliance, and in particular to UMNO views.[43]

Independence (*merdeka*) was proclaimed on 31 August 1957. The Constitution which came into force on that date generally resembles that of Britain or of India. It is "parliamentary", as opposed to presidential, in that the Ministers, or Cabinet, sit in the legislature and are responsible to it. In fact, although this is not laid down in the Constitution, the Ministers belong to the political party (or parties) which can secure a majority of the seats in the lower house of the legislature. Therefore normally any powers conferred on "Parliament" by the Constitution are in fact exercised by the majority party through its control of a parliamentary majority. Like Britain and India, there is a non-political Head of State (Yang Dipertuan Agung), who on most subjects acts on the advice of his Ministers; a legislature composed of two houses, one of them directly elected; a neutral civil service; and an independent judiciary.[44] Unlike Britain, but like India, the Constitution is *federal*. In practice, however, the powers of the Central Government are considerable compared with those of the states. The decision to form a federation was almost certainly dictated by the existence of the Rulers and by the desire to avoid a repetition of protests similar to those voiced against the Malayan Union scheme of 1946.

With some exceptions, the Constitution may be amended by the approval of at least two-thirds of the total number of members of each house.[45] The Courts are guardians of the Constitution, as in the United States. If the Courts declare that a law is contrary to a

[43] The main alterations made in the Constitutional Commission's recommendations are indicated in *Federation of Malaya Constitutional Proposals* (Kuala Lumpur, 1957). For the main debate on the Constitution, see *Legislative Council Debates* (Second Session), 10 and 11 July 1957, cols. 2838-3030. See also von Vorys, op. cit., pp. 134-9.

[44] Cf. the features of the Constitution as stated in the Yang Dipertuan Agung's speech on the opening of Parliament, *Straits Times,* 12 September 1959.

[45] Article 159(1) and (3). For some articles, the procedure is more complicated (Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), ch. 20). The Constitution was amended 15 times, 1957-71 (ibid., p. 319). A 1976 act amended more than fifty clauses (*New Straits Times,* 13 July 1976).

provision of the Constitution, that law is invalidated, in spite of its having been passed by the Federal Parliament or by a state legislature.

There are some special features of the Constitution which are not found in other countries. Some of these, such as the Conference of Rulers and the method of choosing the Head of State, result from the need to fit the Rulers into the framework of constitutional democratic government. But the features of most interest are those which embody the "bargain" between the UMNO and MCA, and which set out the political framework, or rules, within which the racial groups are to operate. One broad assessment of the situation was that the price to be paid by non-Malays for full participation in the activities of the Federation was acceptance of certain forms associated with Malay traditions.[46] This is certainly a part of the arrangement. The functions assigned to the Rulers, the choice of Islam as the state religion,[47] the decision that from 1967 the National Language, Malay, should be the sole official language[48] were part of the "bargain". In exchange, non-Malays benefited from further relaxation in citizenship provisions, which had already been altered in their favour in 1952. Citizenship by operation of law was now extended to any person born in the Federation after 31 August 1957 (Independence Day).[49] This recognized at last the claim of the Chinese (and others) to be citizens by virtue of *jus soli,* not retrospectively but only for those born after Independence Day. Citizenship was also extended, with qualifications, to any person whose father was a citizen at the time of his birth. Provisions for acquiring citizenship by other means were also made easier; for example, the requirement that an applicant should know Malay was waived for a period of one year after the date of independence.[50] These measures would increase the voting strength, and therefore the political power, of the Chinese. An important

[46] F.H.H. King, op. cit., p. 13.

[47] The Constitutional Commission had recommended that there should not be a state religion (*Proposals,* para. 169).

[48] Unless Parliament provided that English could continue to be used after 1967 (Constitution, Article 152(2)).

[49] By the Constitution (Amendment) Act 1962 a restriction was imposed in that at least one parent must have been ordinarily resident in the Federation at the time of the child's birth.

[50] The provisions and later changes are summarized in J.M. Gullick, *Malaysia* (London, 1969), Appx. 1, and H.E. Groves, *The Constitution of Malaysia* (Singapore, 1964), ch. XI. On deprivation of federal citizenship, see Groves, pp. 173-7.

feature of the "bargain" was not explicitly stated in the Constitution. The Chinese were to continue to play their dominant role in business, free from the hindrances or persecution to which they had been subjected in some other Southeast Asian countries.

In addition, however, the Constitution made provision for the "special position of the Malays".[51] Article 153 states that it shall be the responsibility of the Yang Dipertuan Agung "to safeguard the special position of the Malays and the legitimate interests of other communities . . ." The Yang Dipertuan Agung (acting in practice on the advice of the Government) may therefore reserve for Malays such proportion as he may think reasonable of (a) positions in the public service of the Federation; (b) scholarships, exhibitions and other similar educational or training privileges or special facilities given or accorded by the Federal Government; and (c) permits or licences required by federal law for the operation of any trade or business. Elsewhere in the Constitution (Article 89) there is provision to preserve, as a Malay reservation, land which before independence was a Malay reservation in accordance with state law.[52] Such a law can now only be amended by a special and difficult process.

Article 153 has actually been used to *continue* policies which were already in force before independence, for instance, as regards admission into some branches of public service and for particular types of licences, such as those for road haulage and hired passenger vehicles.[53]

At first sight the existence of Article 153 appears to be strange. Why was it necessary to make constitutional provision to protect the Malays when they were the largest racial group in Malaya and constituted a majority of the electors? The answer is not contained in the Constitution. Different kinds of answers can be given:[54] that the Malays, being "indigenous", should have special consideration; that the rights were already there under the British and should not be

[51] Gordon P. Means, "'Special Rights' as a Strategy for Development: The Case of Malaysia", *Comparative Politics,* Vol. V, No. 1 (1972). See also Tan Sri Mohamed Suffian, op. cit., ch. 17.

[52] Raja Mohar bin Raja Badiozman, "Malay Land Reservation and Alienation", *Intisari,* Vol. 1, No. 2 (1962).

[53] *Report of the Federation of Malaya Constitutional Commission*, paras. 163 ff.

[54] Chandrasekaran Pillay, "Protection of the Malay Community: A study of UMNO's Position and Opposition Attitudes" (M.S.S. Thesis, Universiti Sains Malaysia, 1974), p. 86.

terminated; that they are a trade-off for the concessions to the non-Malays on citizenship;[55] that they are needed to enable the Malays to achieve a greater degree of economic equality.[56] The first two reasons are sometimes held implicitly rather than stated explicitly. The third and fourth are not contradictory, one referring to the bargaining process, the other to objectives.

At the root of Article 153 was the problem of achieving a short-run "balance of power" between Malays and non-Malays. The citizenship provisions would result in rapid benefits for non-Malays, as was seen in the great increase in their voting strength between 1955 and 1959; in 1958 alone, over 800,000 non-Malays became citizens. It could be argued, therefore, that there was a need to give the Malays a corresponding quick guarantee in the economic sphere. The long-term balance in the bargain was harder to discern, unless it was thought to be entirely static. The exact limits of non-Malay political power which the citizenship provisions would permit was undefined. Nor was it specified, apart from the limited provisions of Article 153, exactly what would be done to improve the lot of the Malays economically, and what would be the effects of such improvements on non-Malays.[57] Depending on government policy, it could be a little or a great deal. The resulting overall balance was therefore unpredictable.

A contentious aspect of the provisions of Article 153 is their *duration*. The Constitutional Commission recommended that the matter be reviewed after fifteen years,[58] but the Constitution itself set no time limit. Some non-Malay politicians have attacked this as unfair, as giving a possibly permanent advantage to Malays. They would have preferred the topic not to have been included in the Constitution, or for a definite period to have been stated.

Two objections to Article 153 may be mentioned. One was that, since there were many poor Chinese and Indians as well as many poor Malays, any constitutional protection given should be on grounds of

[55] Tunku Abdul Rahman, "Looking Back", *The Star,* 17 February 1975. Tun Tan Siew Sin, future President of the MCA, was impressed by UMNO's concessions on citizenship which made him decide to support UMNO and the Tunku to the hilt (ibid., 9 June 1975).

[56] Tunku Abdul Rahman, *Dewan Ra'ayat Debates,* Vol. IV, No. 2, 28 April 1962, col. 449, and Vol. V, No. 3, 28 May 1963, cols. 357-62.

[57] *Speech by Tunku Abdul Rahman, President of UMNO, at the 17th General Assembly of UMNO, September 6th 1964* (mimeo.), p. 10.

[58] *Report,* op. cit., para. 167.

economic weakness rather than of racial origin.[59] This argument is economically sound, but fails to take account of the racial basis of politics in Malaya and the circumstances in which the Constitution was drawn up. The second objection was that the protection given by Article 153 was inadequate because it was liable to abuse, for example by Malays taking up licences which they did not use themselves but handed over to non-Malays in exchange for money.[60] This objection is well taken. It is not enough to say that, if a licence is exchanged for money in such a way, the purpose of the provisions has been met because a Malay has become richer, thus reducing economic inequality between the races. The problem is that the provisions of the Article, except those relating to education and training, are narrow in scope and do little to equip Malays for occupying the high-level jobs in the economy, for instance by increasing the supply of entrepreneurs. The deficiencies of its provisions became clear after 1969. The Government concluded that the measures which had been taken to improve the lot of the Malays economically, both via Article 153 and by other means, were insufficient. This was the basis for the introduction of the New Economic Policy, described in chapter 10. Nevertheless, both before and after 1969, the provisions of Article 153 were important psychologically and symbolically to Malays, and any attack on them by non-Malays was viewed as deadly. This is shown by the fact that after 1969 they were retained in spite of the slight actual economic impact they would have on Malays compared with the massive effects provided for in other ways by the New Economic Policy.

Article 153 has also been invoked to safeguard the legitimate rights of *non-Malays*. The Tunku referred to it before the fifteenth General Assembly of UMNO in defending his intervention when the Governments of Perak and Penang wanted to withdraw *padi* (rice) dealers' licences from non-Malays in order to give them to Malay cooperative societies.[61]

To say that a rough "balance" was struck between the conflicting claims of the various communities is not to claim that equality was achieved in every sphere. It was easy to point to apparent inequities,

[59] S.M. Huang-Thio, "Constitutional Discrimination under the Malaysian Constitution", *Malaya Law Review*, Vol. VI, No. 1 (1964), pp. 12-13.

[60] Ibid., pp. 14-15. See also the reference to Ali-Baba practices, p. 335.

[61] *Straits Times*, 24 August 1962.

which affect some communities in *some* respects. But when the whole scene was surveyed, in its social, economic, and political aspects, it becomes clear that a kind of short-term rough justice between the claims of the communities was attained. The problem of keeping a racial balance was accentuated by the new elements introduced when Malaysia was formed. It has also been influenced by the new emphasis placed on economic opportunities for Malays by the New Economic Policy adopted in 1969.

Fundamental Liberties

The Constitution states that every citizen has the right to certain liberties, notably liberty of the person, prohibition of banishment, freedom of movement, and freedom of speech, assembly and association (Articles 5, 9 and 10). However, restrictions may be placed on these rights. By Article 149[62] an act imposing restrictions must recite that "action has been taken or threatened by any substantial body of persons, whether inside or outside the Federation" to do a number of things, including exciting disaffection against the Yang Dipertuan Agung or the Government, or promoting feelings of ill will and hostility, likely to cause violence, between different races or other classes of the population. Laws or ordinances may be passed which provide for "preventive detention", that is, imprisonment without trial. There is no public appeal against such detention, but a person detained must be informed of the grounds for detention and allowed to make representations against it and to have these representations heard by a three-man advisory board. Restrictions on freedom have been imposed by a number of acts and ordinances, notably the Internal Security Act (1960), the Sedition Ordinance (1948, amended 1970), the Public Order (Preservation) Ordinance (1958), the Prevention of Crime Ordinance (1959), and the Essential (Security Cases) Regulations (1975).

By Article 150 provision is made for a Proclamation of a State of Emergency. Under it the Government may proclaim ordinances having the force of law, which, however, may be annulled by resolutions passed by both houses of Parliament. It is stated that none of the ordinances so made shall be invalid because of inconsistency with the Constitution's provisions on civil liberties. The powers conferred under this article could be very wide. A State of Emergency was in force during the communist guerilla insurgency, but ended in

[62] On Articles 149 and 150, see Tan Sri Mohamed Suffian, op. cit., ch. 14.

1960. Another existed, briefly, from 1964, to meet the threat of Indonesian Confrontation. For the purpose of changing the Constitution of Sarawak to meet a constitutional impasse, another Proclamation, having only temporary application and covering only Sarawak, was made in September 1966. Article 150 was also used in 1969 to meet the situation resulting from the May riots in Kuala Lumpur. The State of Emergency lasted for over a year and a half, and, while it lasted, sessions of Parliament were suspended. The toughest restriction imposed during the 1969-71 Emergency was probably the amendment of the Sedition Ordinance in 1970.[63]

The activities of opposition parties have been affected by the restrictions on fundamental liberties. Parties which have been suspected of communist links have had their members detained from time to time. Even members of parties deemed subversive, though without communist associations, have been detained, for example, Lim Kit Siang (Democratic Action Party), 1969-71, V. David (Gerakan), 1971, Datuk James Wong (Sarawak National Party), 1974-76. Members of opposition parties who have come into conflict with the provisions of the law on sedition have also faced legal penalties. The best-known case is probably Encik Fan Yew Teng, DAP Member of Parliament for Menglembu.[64] The strongest opposition party, the DAP has made vigorous protests against the constraints on human rights both on principle and because the constraints have hampered its activities, and the issue was featured prominently in its 1974 Election Manifesto.[65]

[63] See pp. 96-7.

[64] See pp. 237 and 293.

[65] See also Fan Yew Teng, "Has Constitutional Democracy a Future?", *The Rocket*, Vol. 8, No. 1, April-May 1973.

4

THE BORNEO TERRITORIES: THE FORMATION OF MALAYSIA AND SINGAPORE'S EXIT

The Borneo Territories

Before the formation of Malaysia was proposed officially in May 1961, not much was known in Malaya about Sarawak and North Borneo (later called Sabah). There were probably two broad general assumptions: that the territories were "like Malaya" but that they were "less developed". As an introduction to the Malaysia proposal and its consequences, it is worthwhile to consider the extent to which the territories were in fact "underdeveloped" in 1961.[1]

They are larger than Peninsular Malaysia (Malaya), having a combined total of 78,000 square miles, compared with the latter's approximately 51,000. But the population in 1960, 454,000 for North Borneo and 744,500 for Sarawak, was less than a fifth of Malaya's. In national income per capita the Borneo territories were not too far behind Malaya. According to the "Rueff Report" (1963),[2] in 1961 annual per capita income in Sarawak was about M$550 and in North Borneo about M$700, compared with about M$800 in Malaya, and M$1,300 in Singapore. It should be remembered that even the Sarawak figure was higher than that for Thailand or for the Philippines. But in the distribution of the population according to occupation the Borneo states were less advanced, having a high proportion of the employed engaged in agriculture, compared with Malaya. The proportion of land under settled cultivation was also low, about 3 per cent (about 17 per cent in Malaya). Exports, too, were mostly of primary products, a sure sign of "underdevelopment". Sarawak exported rubber,[3]

[1] For a general description and bibliography, see: James P. Ongkili, *Modernization in East Malaysia, 1960-1970* (Kuala Lumpur, 1972); R.S. Milne and K.J. Ratnam, *Malaysia: New States in a New Nation—Political Development of Sarawak and Sabah in Malaysia* (London, 1974); Margaret Roff, *The Politics of Belonging* (Kuala Lumpur, 1974); Michael B. Leigh, *The Rising Moon: Political Change in Sarawak* (Sydney, 1974).

[2] *Report on the Economic Aspects of Malaysia,* by a Mission of the International Bank for Reconstruction and Development (Kuala Lumpur, 1963), pp. 1-2. Approximately three Malaysian dollars equalled one United States dollar, then.

[3] *Sarawak Development Plan 1964-1968* (Kuching, 1963), p. 3.

timber and pepper. North Borneo, with a smaller population than Sarawak, had higher foreign exchange earnings, principally from timber, the rest mostly from rubber and copra.

In both territories there were serious difficulties of physical communication. In Sarawak, apart from air travel, the main means of communication have been the large muddy rivers with their numerous tributaries which flow northwest into the South China Sea. By their very existence they cut off the possibility of land communication on a large scale until the 1970s. Consequently, Sarawak has been, *par excellence,* the country of the outboard motor. Sabah (North Borneo) does not have the same extensive maze of rivers and streams as Sarawak. For communications it depended and still depends, mainly on its roads, as well as on its famous railway, now almost a legend.

In one respect both North Borneo and Sarawak were undeniably underdeveloped, in 1963, in relation to Malaya. Only about 25 per cent of the population over ten years old were literate, compared with over 50 per cent in Malaya. This figure was inflated by the fact that over 50 per cent of the Chinese in these territories were literate. Among the rest, only about 17 per cent were literate. More remarkable were the small numbers who had completed a university or technical college course in 1960. If only "natives" are considered, and Chinese, Europeans, Indians and others excluded, the numbers were only four for North Borneo and nine for Sarawak.[4] These low numbers retarded the pace of political and constitutional advance. More important, they set a limit to the replacement of expatriate civil servants by qualified natives.

Another, less obvious, aspect of "development" may be considered. From the point of view of a nation's stability, it is important that cultural cleavages should not be so deep that communication between groups is prevented. The ethnic patchwork in the Borneo territories is almost terrifying in its complexity. In Sarawak a 1953 ordinance considered it necessary to list the races indigenous to Sarawak and therefore to be regarded as natives: Bukitans, Bisayahs, Dusuns, Dayaks (Sea), Dayaks (Land), Kedayans, Kelabits, Kayans, Kenyahs (including Sabups and Sipengs), Kajangs (including Sekapans, Kejamans, Lahanans, Punans, Tanjongs and Kanowits), Lugats, Lisums, Malays, Melanaus, Muruts, Penans, Sians, Tagals, Tabuns, Ukits, and "any admixture of the above with each

[4] See also T.H. Silcock, *Fiscal Survey Report of Sarawak* (Kuching, 1956), p. 3.

other''.[5] To the expert[6] the ways of life of these various groups are distinctive. To be sure, some of the groups are very small in number. The Cobbold Commission on Malaysia conscientiously attempted to ascertain the view of the 2,800 Bisayahs and the 2,000 Kelabits. Yet considerable cleavages are apparent, even if only the more numerous native groups are considered in each territory: in Sarawak, Malays, Melanaus, Ibans (Sea Dayaks) and Land Dayaks; in North Borneo, Dusuns, Muruts and Bajaus. For instance, there is an important religious cleavage in both. In Sarawak, Malays and Kedayans and some Melanaus could roughly be equated with the Muslim population, 23 per cent, and the other races with non-Muslims. Indeed, in a loose sense, many persons are called ''Malays'' not because of their ethnic origins, but simply because they are Muslims. Another possible source of cleavage is that when some of the present areas of Sarawak were under the rule of the Sultan of Brunei, the non-Malays sometimes suffered from Malay domination. The memory of this was still alleged, but also often denied, to be a cause of anti-Malay feeling among other natives. In North Borneo the largest native group, the Dusuns, constituted about one-third of the total population and was almost entirely non-Muslim. But 38 per cent of the population was Muslim, the largest single group being the Bajaus. A complicating factor was that many of the Dusuns preferred to call themselves Kadazans.[7] Perhaps the most convincing evidence that, for the major groups at least, ethnic divisions retained their importance, was the fact that when political parties were at last formed in both territories they tended to take shape largely along communal lines.

In comparison with Peninsular Malaysia, the variety of native races and difference in their religions (Islam, Christianity, or others) are striking. But one racial factor is common to the Borneo territories and Peninsular Malaysia: the Chinese. In Sarawak they constituted about 31 per cent of the population, in North Borneo, 23 per cent. In each, and particularly in Sarawak, their rate of increase was higher than that of the other races. The predominant dialect groups were Hakka and Foochow, roughly equal in numbers,

[5] *Report of the Commission of Enquiry, North Borneo and Sarawak* (Kuala Lumpur, 1962), p. 106, subsequently referred to as the ''Cobbold Report'', after the name of its chairman.

[6] E.g., Tom Harrisson, ed., *The Peoples of Sarawak* (Kuching, 1959).

[7] K.G. Tregonning, *North Borneo* (London, 1960), pp. 82-3.

followed by Hokkien, Teochew and Cantonese. A study of the Chinese in Sarawak has pointed out that no single economic group can be labelled "Chinese", although for the sake of simplicity one may point to two main groups, the urban Chinese, who are mostly merchants and middlemen, and the rural Chinese, who are primary producers, many of them rubber planters.[8]

From 1841 to 1946 the Brooke family ruled Sarawak. Descriptions of Sarawak under the Brookes were lyrical about the idyllic state of race relations. But after 1945 it became evident that the *laissez-faire* elements in Brooke rule had led to a dangerous situation. The Chinese had intermarried more with other races in Sarawak (and North Borneo) than in Malaya. But many of them were even more divided from the rest of the population than in Malaya. The Chinese system of education had been left to develop without aid from the Government and without reference to the other communities or to the task of building up nationhood. Some Chinese were educated in English by mission schools. But the Chinese-educated, whose knowledge of English was slight, met with frustration when they tried to obtain employment in surroundings where Chinese was of limited value in most jobs. The schools were infiltrated by communists who took advantage of Chinese patriotism and chauvinism. After 1946, there was more state intervention, for instance through grants, but it was not until 1961 that a decisive step was taken by the announcement that in the future the medium of instruction in all government-aided secondary schools would be English. Chinese Middle Schools which did not agree to convert to English would lose their grants. As a result, eleven of the sixteen government-aided secondary schools which taught in the Chinese medium were converted.[9] A further Chinese source of grievance was land.[10] The amount of good land available was small, and this was largely earmarked for natives. When party politics and elections at last came to Sarawak these grievances were partly responsible for the rise of a mainly Chinese radical, communist-infiltrated party, the SUPP (Sarawak United People's Party), which nevertheless had moderate leaders.

[8] Ju-K'ang Tien, *The Chinese of Sarawak* (London, n.d.,), pp. 20-1.

[9] *Borneo Bulletin,* 12 August 1961. See also *A Guide to Education in Sarawak* (Kuching, 1961); D. McLellan, *Report on Secondary Education* (Kuching, 1959).

[10] *Sarawak Gazette,* 31 May 1955, pp. 97-101; Michael B. Leigh, *The Chinese Community of Sarawak, A Study of Communal Relations* (Melbourne, 1963), pp. 23 ff; Milne and Ratnam, op. cit., pp. 215-18.

The Chinese in North Borneo were in a happier position. Compared with Sarawak, the number of Chinese was smaller, and a higher proportion of them had settled on the land because legal restrictions on the ownership of land were less strict. A tougher line was taken by the Government at an early date on subversion in schools, and outstanding dissentients were shipped off to their ideological home. Perhaps most important of all, North Borneo's greater economic prosperity, compared with Sarawak, provided a "cushion" against racial antagonism.

This account may indicate the complexity of the racial and religious background in both territories in 1961. When Malaysia was proposed, the task had to be faced of building a new nation when two of the constituent parts, Sarawak and North Borneo, had had little preparation for nationhood.

The description must be supplemented by considering the course of political and constitutional development. The extremely indirect nature of British rule in the Borneo territories helps to explain the slow rate of political development. The northern parts of Borneo, as well as some adjacent island territories, were under the rule of the Sultans of Brunei, who became Muslims in the fifteenth century. But difficulties of communication were so great that, even at the height of the Sultans' power, they never really controlled the island's vast hinterland of mountains and rivers. In addition, the people over whom they ruled were ethnically heterogeneous, and the majority were not Muslims. There were also the usual family and dynastic quarrels. One of these led to the death, early in the nineteenth century, of the twenty-second Ruler, Sultan Mohamed Alam, who was informed, according to one account, that he would be killed by strangulation. He prophesied that if, after death, he fell to the right this would be a favourable omen for Brunei, but that if he fell to the left it would be an evil omen. The dead Sultan fell to the left. Some might dispute that the prophecy was correct, but with the finding of oil early in the nineteenth century and Brunei's present riches from that source, it might seem that Brunei is now, at least economically, extremely fortunate.

However, from an immediate point of view the dead Sultan's prophecy was accurate. Brunei's weakness and internal dissension led to the setting up of European outposts on Brunei's territory, which eventually swallowed up the whole of northern Borneo, except for a tiny area which the Sultans retained.

The European incursions had roughly the same pattern as in Malaya; the Portuguese were followed by the Dutch, and the Dutch by

the British. In the late eighteenth century the British made an abortive attempt to establish a settlement at Balembangan, but by 1804 they finally gave this up. Thirty-five years later a young Englishman, James Brooke, came to Borneo. At this time the Sultan was having difficulty in pacifying rebels who had been driven to revolt by the harsh rule of his governor. When Brooke returned in the following year, his reward for achieving a settlement with the rebels was to be installed as Rajah of Sarawak, in 1841. This was the beginning of the rule of the famous "White Rajahs". For a time Brooke's position was precarious, but he maintained it with the support of the British navy. Sarawak was recognized as an independent state by the United States in 1850, and the British in effect granted recognition by appointing a British consul in 1864. In 1888 Sarawak formally came under British protection. All this time the Rajahs were expanding their territory. By the time of the last expansion in 1905 the country was over twenty times its original size.

The acquisition of Sarawak was, if the support of the British navy is set to one side, a one-man venture. The founding of the other British territory was less personal and less romantic. It was also much more complex. It was preceded by the failure of the American Trading Company of Borneo, based on a concession granted by the Sultan of Brunei. A settlement was founded but was quickly abandoned. A few years later a survivor of the American Trading Company, J.W. Torrey, collaborated with William Cowie, a Scottish gunrunner who had been leased an area for a trading company in Sandakan Harbour by the Sultan of Sulu (now in the southern Philippines), and the Austrian consul in Hong Kong, Baron Overbeck. A series of negotiations in 1877 and 1878 with the Sultans of Brunei and Sulu resulted in the transfer of a large part of the northeast of the island of Borneo. The arrangement with the Sultan of Sulu was subject to conditions, among them the annual payment of a certain sum. (The exact nature of the arrangement was questioned by the Government of the Philippines. In its claim to parts of Sabah (North Borneo), it maintained, among other things, that the territory was not ceded by the Sultan of Sulu, but only leased.) Eventually the interests of Overbeck, Torrey, and Cowie were bought by Alfred Dent and his brother, British financiers who had originally provided backing for Overbeck. Dent transferred his rights to a Provisional Association, which in 1882 was replaced by the British North Borneo (Chartered) Company. The Charter gave the enterprise a certain degree of status in its operations. From the British Government's point of view it ensured some control; for instance, it

was laid down that the Company would always be British and that it would undertake to abolish slavery in its territories. It amounted to a very indirect version of indirect rule, and served as a warning to European powers not to try to annex North Borneo. In 1888, at the same time as Sarawak and Brunei, the new state became a British protectorate. This made British control a little less indirect: for instance, it was provided that the relations between the state and all other states, including Brunei and Sarawak, were to be conducted by the British Government.

Sarawak: Brooke Rule and British Rule

From the British Government's point of view, the Brooke regime in Sarawak was an example of indirect rule. From the point of view of the White Rajahs themselves, technically their rule was direct. But one effect was much the same as with British indirect rule elsewhere—to preserve the native way of life from external shocks. The last Ranee of Sarawak conveyed Brooke attitudes vividly when she wrote, in the early 1920s: "Outside the gates the ogre 'Progress' stirs and stretches—'Open up,' he cries, 'open up your country, expand, and let the exploiters in.' But the Rajah looks back upon the toil of those before him, he looks at Sarawak as it is today. He looks around him at other countries, and sees the world-wide abuse of the word 'Progress'. To those who would introduce such 'progress' he offers no welcome. But to those whose sense of duty to the country and its people is as keen as his own, and who would develop it on the broad principles of the Brooke traditions, the Rajah ever extends an inviting hand."[11] Some Chinese immigration was permitted, but heavy European investment was discouraged. Government was paternalistic, with many decisions made by the Rajahs themselves, who were always accessible to the people. There was a small civil service, composed of European officials and a Malay elite. Social services were minimal. Not only was economic development stunted by the absence of appreciable amounts of foreign capital, there was no possibility of a change in this policy, except after a long time lag, because of the absence of provisions to educate the natives to play a part in an economically developing society. Constitutionally, as far as internal rule was concerned, the

[11] Her Highness the Ranee of Sarawak, *Sarawak* (Singapore, 192?), p. 58. For a statement of the views of the second Rajah on "native" and "European" principles of government see S. Baring-Gould and C.A. Bampfylde, *A History of Sarawak under its Two White Rajahs, 1839-1908* (London, 1909), pp. 313-14.

Rajahs were sovereign. There was a Supreme Council, later supplemented by a Committee of Administration, to advise the Rajah, but neither of these had any executive powers. The Council Negri, a national body representing the people, had even less power. Consisting of the leaders of the various racial communities, its meetings were intended, not to advise or influence the Rajahs, but rather to promote inter-communal understanding. In 1941, on the eve of the Japanese invasion, the third Rajah promulgated a Constitution. Ostensibly this was to celebrate the centenary of Brooke rule, but there may also have been some pressure from the British Government.[12] The composition of the Supreme Council and the Council Negri were made more specific and their powers were apparently increased. The Supreme Council was to consist of the Chief Secretary and the Financial Secretary, *ex officio*, plus other members appointed by the Rajah for a three-year period, and drawn from either the civil service or the Council Negri. The Rajah, who was to be president of the Council, was now supposed to exercise his former absolute powers only with the advice of the members. The only exception was his power to nominate the members of the Council itself. The Council Negri was to be a larger body, consisting of both officials and unofficials, the latter intended to represent various racial and interest groups. No legislation was to be passed or public money spent without the approval of the Council Negri. The Rajah could veto legislation, but not if the Council passed a bill on three separate occasions. These provisions, together with "nine cardinal principles" stating the rights, duties, privileges, and responsibilities of the people of Sarawak, had an impressive appearance. But they contained no approach to popular elections, and the previous autocracy was not removed but merely disguised. "The Rajah had in fact surrendered his absolute power to a bureaucracy which he himself nominated."[13]

Shortly after the end of the Japanese occupation, Sarawak was ceded to Britain (1946). This sudden move had been perhaps to an extent foreshadowed in 1941, when an agreement was made for Britain to appoint a representative with influence on Sarawak's *internal* policies. The main reason given for cession in 1946 was that the burden of rehabilitation, reconstruction, and development would be too heavy for the Brooke regime and could be better undertaken if

[12] Liang Kim Bang, "Sarawak, 1941-1957" in *Number Five: Singapore Studies on Borneo and Malaya* (Singapore, 1964), pp. 14-15.

[13] Steven Runciman, *The White Rajahs* (Cambridge, England, 1960), p. 251.

Sarawak became a British colony. The situation was complicated by the reluctance of the Rajah's relatives, and possible successors, to agree to cession. The succession disputes of the Brookes were a little reminiscent of those of their predecessors, the former Sultans of Brunei, although not as bloody. Another complication was that the proposal for cession was passed by only a narrow margin in the Council Negri. Without the votes of the Europeans on the Council the proposal would have been defeated by one vote. The Chinese members were in favour, hoping that the country would be opened up and that there would be more attractive opportunities for trade. The natives in the Council, apart from the Malays, split their votes evenly. The Malays, however, showed a slight majority against the proposal. Indeed, the first notable signs of political consciousness among the Malays of Sarawak arose on this issue, resembling in a way the feeling stirred up among the Malays in Malaya by the Malayan Union proposals. But there was not the same solidarity of Malay feeling in Sarawak. The Malays in favour of cession joined the Young Malay Association, while those who were opposed to cession joined the Malay National Union of Sarawak.

Although Sarawak had been handed over to Britain, there was no great constitutional advance for some time. On cession, the Supreme Council and Council Negri, as constituted in 1941, were maintained. A British Governor was substituted for the Rajah. In exercising his powers he was obliged to consult the Supreme Council, with a few exceptions. But, unlike the situation under the Rajah, according to the 1941 Constitution sovereignty and the ultimate power of control lay with the Colonial Office in London. The main constitutional changes occurred in local government, where provision was made for a number of District Councils and the Kuching Municipal Council, which after a time were elected on a limited franchise. A new Constitution was enacted in 1956, which took effect in the following year.[14] It embodied the principle, which lasted even beyond the creation of Malaysia in 1963, that a proportion of the members in the higher organs of government would be elected by the members in a lower tier of government. So the Supreme Council contained ten members, three *ex officio,* two nominated and five elected from the members of the Council Negri. In turn, the Council Negri, out of forty-five members, had twenty-four elected at a lower level, namely from five Divisional Advisory Councils, the Kuching Municipal

[14] Liang Kim Bang, op. cit., pp. 19-21.

Council, and the District Councils of Miri and Sibu. The Divisional Advisory Councils were elected by the bottom tier, the District Councils. The District Councils, which provided all the democratic elements in the entire system, were chosen directly by the people, either by secret ballot, or, in the rural areas, at traditional gatherings.

North Borneo: Constitutional and Political Development

The course of events in North Borneo to some extent resembled that in Sarawak. Until the beginning of the nineteenth century there was an expansion of the territories originally occupied until it became clear that North Borneo and Sarawak were competing for the remaining lands of the Sultan of Brunei, which at one time appeared likely to be partitioned between the competitors. An alternative solution, that cession of territory by Brunei would cease and that the Sultan would be bolstered by the presence of a British Resident, was eventually adopted in 1905, when Brunei had shrunk to minute proportions.[15] The degree of control exercised by the Company's Court in London depended largely on the respective strength of personality of the chairman or other leading figures in the Court, and the Governor on the spot.

In 1883 the Governor formed an Advisory Council, with six members, five official and one unofficial. The Court apparently desired that the unofficial member should be Chinese or a native. But the Chinese preferred to have their own Council: they acquired one in 1890, and it became the practice for the unofficial member to be a European. The Advisory Council ceased to meet in 1905. It was revived in the form of a "Legislative Council" in 1912, with seven official and four unofficial members. The four unofficials represented the Chinese, the planters on the east and west coasts, and the business community. Chinese representation was later raised to two. These political advances were imposed from above: "the privileges about to be conferred will be specially welcome, because they have not been the result of popular agitation".[16] Indeed, until the war, criticism of the government was more likely to come from the Rubber Planters' Association or the Chinese Chambers of Commerce than from the Legislative Council.

[15] K.G. Tregonning, *A History of Modern Sabah (North Borneo), 1881-1963* (Singapore, 1965), p. 45.

[16] Ibid., pp. 65-6, quoting an unofficial member.

As with Sarawak, it was decided that the devastation resulting from the war was too great to repair under a continuation of the prewar regime. Consequently, in 1946 North Borneo, together with Labuan, became a British colony. Provisional arrangements were made for an Advisory Council and later for a smaller Executive Council to advise the British Governor. A new Constitution was drawn up in 1950. Roughly on the same pattern as Sarawak's Constitution, there was an Executive Council, consisting of three *ex officio* members, two official members and four nominated members; there was also a Legislative Council, comprising, in addition to the Governor, three *ex officio* members, nine official members and ten nominated members, including four natives.[17] This was a distinct advance on the prewar Legislative Council, which had fewer unofficial members and no native members. More important, under the Chartered Company there had been a distinct limit to the amount of unofficial representation and the degree of "democracy" which could be introduced. But, as a colony, there were precedents elsewhere for further constitutional advance, leading eventually to independence. Further advances were made in both the Executive Council and the Legislative Council. On the eve of the Malaysia proposal, important changes came into effect (April 1961), after which the number of unofficial members in the Legislative Council exceeded the remainder. At the same time, compared with Sarawak or with many other British colonies then in existence, North Borneo was far behind.[18] It had not yet reached the stage at which some of the unofficials were elected, either directly or indirectly. It was not until after the formation of Malaysia had been agreed upon that steps were taken to hold the first elections in North Borneo, at district level.

The Malaysia Proposal

The first public authoritative Malayan proposal for a Federation of Malaysia, consisting of Malaya, Singapore, North Borneo, Sarawak, and possibly Brunei, was made by Tunku Abdul Rahman on 27 May 1961.[19]

This was not the first time that the union of some of these territories had been discussed. In the nineteenth century Lord Brassey,

[17] M.H. Baker, *North Borneo, the First Ten Years, 1946-1956* (Singapore, 1962), p. 40.

[18] Ibid., p. 67.

[19] *Sunday Times*, 28 May 1961.

a director of the North Borneo Company, had proposed that the British Government should amalgamate its protectorates in Borneo with the Malay states and the Straits Settlements to form one large colony. This suggestion was rejected by the Company's shareholders in 1894.[20] At the end of the Second World War the consolidation of all the British territories in the area was discussed, but was not carried out. The idea of a wider grouping was also canvassed by Malcolm MacDonald, the British Commissioner-General, 1949-52.[21] More modest schemes for the amalgamation of just the Borneo territories were suggested later, but not much progress was made in this direction, although there were some administrative links between the territories and they all shared a common currency with Malaya and Singapore.

In addition to these schemes concerning the Borneo territories, there had been other proposals limited to Malaya and Singapore. Prime Minister Lee Kuan Yew, as well as his predecessors, David Marshall and Lim Yew Hock, wanted a "merger" of the two territories. Singapore and Malaya, it was argued, formed a natural economic unit, which the British had divided for their own reasons. With industrialization proceeding in both, economic coordination of a permanent nature was becoming more and more essential. Some parties in Malaya were receptive, but UMNO was not, although from time to time the Tunku favoured the inclusion of Singapore as a unit in the Federation of Malaya but not as an equal partner of Malaya in a new federation.[22] The decisive factor was that the inclusion of Singapore would have introduced two serious threats to the political system in its existing form: the delicate racial "balance", in which nevertheless the Malays were in ultimate control, would have been prejudiced; also, the determinedly anti-communist Government in Malaya feared union with a state which seemed politically destined always to move further left.

However, another part of the picture, inadequately recognized until researched by Noordin Sopiee, concerns the idea of a union between Malaya and the Borneo states, which was current in UMNO circles from about 1956 and well-established by 1960.[23] This was

[20] Runciman, op. cit., p. 195.

[21] Mohamed Noordin Sopiee, *From Malayan Union to Singapore Separation: Political Unification in the Malaysian Region 1945-1965* (Kuala Lumpur, 1974), p. 128.

[22] Ibid., pp. 93-117.

[23] Ibid., pp. 125-7.

strengthened, among other things, by a report from Encik (later Datuk) Senu Abdul Rahman, the Ambassador to Indonesia, that the indigenous people of Borneo could be classified as Malays; consequently, the addition of these states would not imperil the majority position of the Malays.[24] However, a union with the Borneo states was dependent on British plans for the future of these territories, which did not contemplate any rapid change unless a new factor came into the situation.

The new element which arose, and affected the thinking of both the British and the Tunku, was the internal situation in Singapore, which imperilled the existence of the PAP Government. On 29 April 1961, the PAP Government lost the important Hong Lim by-election, which was an indication of its unpopularity. However, the main danger came not from the Hong Lim victor, Ong Eng Guan, but from the PAP's left wing which was shortly to break away and form the Barisan Sosialis. The PAP Government might soon be replaced by one that would be communist-dominated. Possibly, of course, the British might render this government ineffective, but such an operation would be costly and "undemocratic". The status of Singapore was due to be reviewed not later than June 1963; if a left wing Government behaved with caution, it might even obtain complete independence from the British, including control over defence, foreign affairs and internal security. In such circumstances the prospect of a "Cuba" in the making (only relatively nearer and relatively more populous) was considerable. Previously the Federation Government had considered it dangerous to take Singapore *inside* Malaysia. Now the Tunku was persuaded by the Singapore Prime Minister that it would be even more dangerous to keep it *outside*. "National Security" and "our mutual economy", said the Tunku, demanded that the two countries should work together. "We must prevent a situation in which an independent Singapore would go one way and the Federation the other."[25]

There were therefore two significant differences between this proposal for a Malaya-Singapore union and earlier ones. There was an urgent and visible threat to Malaya's security, in the shape of a communist danger, which was bound to evoke strong reactions from the Tunku. Second, the union was to include the Borneo territories, and

[24] Ibid., pp. 137, 144.

[25] Tunku Abdul Rahman, *Dewan Ra'ayat Debates,* Vol. III, No. 16, 16 October 1961, cols. 1590-613, and Vol. V, No. 6, 12 August 1963, cols. 669-83.

possibly Brunei. This was entirely in accord with the previous UMNO idea of a union with the Borneo states alone. Also, if done in conjunction with a union with Singapore, to some degree the addition of the indigenous inhabitants of Borneo (who outnumbered the Chinese there by three to one) would balance the Chinese majority in Singapore. Although most of them were not Malays, or even Muslims, on the basis of Senu's report and other general impressions the Malays in Malaya looked on the indigenous Borneo peoples as their "brothers", and hoped that they could be persuaded to support Malaysia, and also the Alliance Party.

Anti-imperialists have labelled the Malaysia scheme a "British plot", but this seems to be a gross exaggeration.[26] Britain was naturally concerned: Malaya was important to her, economically and from the point of view of defence; Singapore was not yet independent, having only internal autonomy; Sarawak and North Borneo were still Crown colonies. Britain therefore wanted to help in working out future arrangements for the areas that were in her interests.[27] But the immediate occasion for the Malaysia proposal was the case put by Lee Kuan Yew to the Tunku, and the actual proposal was the Tunku's own, deriving from UMNO views held for some time. The "wind of change", first felt in Africa by Prime Minister Harold Macmillan in 1960, gave an impetus to the British to consider making more colonies independent. However, in 1961 North Borneo and Sarawak were economically and politically not ready for independence on their own. There would also be an internal security problem after independence in Sarawak. "In the absence of some project like Malaysia, the Chinese, with their rapidly increasing population and their long start over other races in education, could expect, when independence came, to be in an unassailable position in Sarawak. This, in turn, could put the communists, with their highly developed organization, to work on the fears and frustrations of the great body of non-communist Chinese in an equally unassailable position."[28] With hindsight, an external threat to the territories could also have been predicted, from Sukarno's Indonesia.

Apart from the Malaysia scheme, other possibilities for Sarawak and North Borneo would have been to join Indonesia, which aroused

[26] Mohamed Noordin Sopiee, op. cit., pp. 147-9.

[27] Milton E. Osborne, *Singapore and Malaysia* (Ithaca, New York, 1964), pp. 13-14.

[28] The "Cobbold Report", p. 8.

little enthusiasm, or to form a union of Borneo states. A single independent state, however, would have to face the same problems that had beset the individual territories. There would have been a probability of communist infiltration, via the Chinese, referred to above. Moreover, apparently the new state would have been economically viable only if Brunei joined and shared its revenues with the two other territories.

The British did not believe that the Borneo territories were ready for independence, nor did they believe that they were ready for immediate inclusion in Malaysia without a very gradual transfer of powers to the federal Government. They emphasized this in their views to the Cobbold Commission,[29] but these were not put into effect. The Malaysia solution, therefore, was not ideal for the British, but it was the most promising possibility in view. Its rapid implementation, however, prevented any careful planning.[30]

Generally, against acceptance of the Malaysia proposal by the Borneo states was the absence of any great immediate economic advantages, except for the prospect of development loans from Malaya and Singapore to the other territories and the hope that the Malayan rural development schemes would be extended to Borneo. The distances between some of the territories and the lack of extensive communications between some of them, even between North Borneo and Sarawak, were also an obstacle. Nevertheless, the areas had similar systems of government and administration (although at different levels of development), a lingua franca in Malay, and a common currency. In all the circumstances the Malaysia proposal seemed to be a workable, if intricate, solution.

Between May 1961 and the birth of Malaysia over two years later, a series of discussions and investigations took place on the possible terms of federation. For the sake of clarity, four main stages may be distinguished as far as North Borneo and Sarawak are concerned. First, the project was discussed by leaders of the five states (Malaya, Singapore, North Borneo, Sarawak, Brunei) at the Commonwealth Parliamentary Association Regional Meeting, held at Singapore in July 1961. This led to the formation of a Malaysia Solidarity Consultative Committee of the Association, which by February 1962 had produced a memorandum supporting Malaysia and indicating some

[29] Ibid., pp. 59-66.

[30] Tunku Abdul Rahman, "Looking Back", *The Star,* 3 March 1975.

general conditions for federation.[31] Second, following a visit to London by the Tunku in October 1961, a Commission of Enquiry was set up, with Lord Cobbold as chairman, two other members nominated by the British Government, and two members nominated by the Government of the Federation of Malaya. Its terms of reference were to ascertain the views of the peoples of North Borneo and Sarawak on Malaysia, to assess these views and to make recommendations accordingly. Third, after the Cobbold Commission had reported favourably, the detailed working out of the terms of federation was assigned to an Inter-Governmental Committee under Lord Lansdowne.[32] The final stage consisted of a round of negotiations in London in July 1963, just before Malaysia was formed.

The Singapore sequence was rather different. Singapore was represented on the Malaysia Solidarity Consultative Committee, but was outside the scope of the Cobbold Commission or the working party under Lord Lansdowne. By November 1961, the Tunku and Lee Kuan Yew had arrived at an understanding on certain points, which was put on record in the form of a White Paper.[33] But even a few weeks before Malaysia was formed (16 September 1963) a number of important issues, such as the allocation of tax revenues, had not been decided, and there were some last-minute sessions of poker-like bargaining. Negotiations with Brunei were also conducted outside the "Cobbold-Lansdowne" framework. In the end Brunei decided to stay outside, although it was not entirely clear what the main obstacle was. Apparently it was either the retention of oil revenues by Brunei, although Malaya offered substantial concessions on this score, or the precedence which the Sultan of Brunei would have *vis-a-vis* the other Rulers, which would determine his eligibility to be chosen Yang Di-pertuan Agung.[34]

When agreement had been reached among the four states, and with the British, the Government of Malaya amended the Constitution accordingly by passing the Malaysia Act (1963). It also passed an Immigration Act relating to entry to North Borneo and Sarawak,

[31] Reproduced in the "Cobbold Report" as Appendix F.

[32] *Malaysia Report of the Inter-Governmental Committee* (Kuala Lumpur: Government Press, 1963).

[33] *Memorandum Setting out Heads of Agreement for a Merger between the Federation of Malaya and Singapore* (Cmd. 33) (Singapore, 1961).

[34] Mohamed Noordin Sopiee, op. cit., pp. 172-82.

because the type of federation agreed upon was unusual in that it provided for restrictions on immigration into these two states from the rest of the new Federation. It was decided that Malaysia should be brought about by amendment of the existing Constitution of Malaya rather than by the adoption of a new Constitution.

Before indicating the main features of the amendments to the Constitution, something should be said about the attitudes of the peoples of the Borneo territories. The Cobbold Commission made the following rough assessment, in the middle of 1962. About one-third of the population was in favour of Malaysia, and another third was also in favour, provided that conditions and safeguards on various points were obtained. "The remaining third is divided between those who insist on independence before Malaysia is considered and those who would strongly prefer to see British rule continue for some years to come. If the conditions and reservations which they have put forward could be substantially met, the second category referred to above would generally support the proposals. Moreover, once a firm decision were taken, quite a number of the third category would be likely to abandon their opposition and decide to make the best of a doubtful job. There will remain a hard core, vocal and politically active, which will oppose Malaysia on any terms unless it is preceded by independence and self-government; this hard core might amount to near 20 per cent of the population of Sarawak and somewhat less in North Borneo."[35] A more realistic appraisal, about Sarawak, was that there was a fourth category, which was probably quite numerous, who "appear to know nothing or little about Malaysia but agree to it because they have been told that Malaysia is good for them".[36]

As late as October 1962, three Borneo parties—the Sarawak United People's Party, the Party Rakyat of Brunei, and the United National Pasok Momogun Party of North Borneo—opposed Malaysia in a memorandum to the United Nations Committee on Colonialism, stating that they would prefer a federation of the three Borneo territories by themselves.[37] But scrutiny of the results of the local government elections in the two territories, in late 1962 and in 1963, led a

[35] "Cobbold Report", p. 50. On the reactions of the Chinese leadership in North Borneo, see Edwin Lee, *The Towkays of Sabah: Chinese Leadership and Indigenous Challenge in the Last Phase of British Rule* (Singapore, 1976), ch. 4.

[36] Milne and Ratnam, op. cit., p. 23.

[37] *Straits Times,* 2 October 1962. See also J. Ongkili, *The Borneo Response to Malaysia, 1961-1963* (Singapore, 1967).

UN Malaysia Mission to state that participation in the new Federation was approved "by a large majority of the people".[38] This conclusion may indicate that a shift of opinion had occurred in favour of Malaysia in the year or so following the Cobbold Commission's investigations. The change may have resulted largely from the Malayan Alliance Party's help in organizing the pro-Malaysia ethnically-based parties which won the elections in North Borneo and Sarawak. Also the possibility of a threat from Indonesia or the Philippines had increased, as had the probability of a British withdrawal after about ten years.[39] On another level it may be accounted for by the fact that some of those who had been opposed to Malaysia *did* decide "to make the best of a doubtful job". If independence outside Malaysia was not attainable, then federation as a part of Malaysia, with safeguards, was, to the overwhelming majority, preferable to union with Indonesia or (for North Borneo) with the Philippines.

The safeguards desired by various groups of the indigenous peoples are discussed in the next section. Some of them were alleged to have their origins in traditional distrust of Malay rule, dating back to resentment against cruelties and injustices suffered in previous times under the Sultans of Brunei. It was by no means self-evident to the indigenous inhabitants that colonialism could be practised only by white men. This was difficult for some Malay members of the Government of Malaya to understand, because they looked upon the non-Chinese inhabitants of the territories, whether Malays or not, as brothers. The Tunku found it necessary to give an assurance on this point. "When the Borneo territories become part of Malaysia, they will cease to be a colony of Britain, and they will not be a colony of Malaya. I thought I had made it clear. They will be partners of equal status, no more and no less than the other states now forming the Federation of Malaya. Where does he get the idea that, by taking in the Borneo territories, we would colonize them? The days of imperialism are gone and it is not the intention of Malaya to perpetuate or revive them."[40] While approving of Malaysia, the British felt that

[38] *United Nations Malaysia Mission Report* (Kuala Lumpur: Department of Information, 1963), para. 245. On this Mission see p. 300.

But it has been said that in Sarawak "there were many extraneous issues interjected that cut across the pro-Malaysia and anti-Malaysia division" (Robert O. Tilman, "Elections in Sarawak", *Asian Survey,* Vol. III, No. 10 (1963), p. 517).

[39] Milne and Ratnam, op. cit., p. 21.

[40] *Dewan Ra'ayat Debates,* Vol. IV, No. 3, 28 April 1962, cols. 451-2.

any suggestion that the new Federation had been forced on the Borneo territories would lay them open to the charge that they had betrayed their responsibilities and the trust which the indigenous peoples had placed in them. They felt the same paternalistic but moral concern for the future of the natives of the territories which they had previously felt for the Malays in Malaya. Therefore they wished to move more slowly than the Malayans.

The Malaysia Agreement and its Provisions

As far as the Borneo territories are concerned, distinctive provisions of the Malaysian Constitution are those which have to do with the Head of State, language, religion, immigration, and the special position of the natives.[41] It was decided that the position of Head of State for each of the two Borneo territories should be open to members of all communities. Because the choice was not restricted to Malays (or at any rate to Muslims), these Heads of State would be in the same constitutional position as the Governors of Penang and Malacca in that they would not be eligible to become Yang Dipertuan Agung. Although this decision did widen the range of choice of Head of State, it also meant that Sabah (North Borneo) and Sarawak could never become more closely identified with Peninsular Malaysia by providing the symbolic figure of Supreme Ruler.

The language issue was essentially a matter of the relative place of English and Malay. The arrangement by which Malay was to become the sole official language of Peninsular Malaysia by 1967 was not acceptable to Sabah and Sarawak, because the time for a change-over to Malay from English would then have been too short. Accordingly, a delay of ten years was provided for, until 1973, just as a ten-year period had previously been allowed, from 1957 to 1967, before English could cease to be an official language in Peninsular Malaysia. As a result, the representatives from the Borneo territories could use English in the Federal Parliament and in the courts of the two states, and on appeals from them, until 1973. It could also be used until that time in the two legislatures or for other official purposes.[42]

[41] On the legislative powers of the two states generally, see Malaysia Act, Fourth Schedule, Part I, Lists IIA, IIIA. This corresponds to the Ninth Schedule, Lists IIa, IIIa of the federal Constitution of Malaysia. Future references to the Malaysia Act will be followed by a number in square brackets giving the corresponding Article of the federal Constitution.

[42] Malaysia Act, Sec. 61[161].

Apart from the provision about the Federal Parliament, even 1973 was not definitely set as the terminal date for the use of English in the two Borneo states. Any act affecting its use in the courts of either of the states, or on appeal from them, or in either of the states in the Legislative Assembly, or for other official purposes, was not to come into operation until it was approved by an enactment of the legislature of the Borneo state concerned.[43]

Although Islam was the state religion of the Federation of Malaya and continues to be the religion of the Federation of Malaysia, it was not made the religion of the states of Sabah and Sarawak. Some practical consequences of this were spelt out in the new Malaysian Constitution. With reference to a Borneo state, no act of Parliament providing financial aid for Muslim institutions or instruction in the Muslim religion was to be passed without the consent of the State Governor, in effect with the consent of the State Government; moreover, when federal grants were made for Muslim religious purposes in Peninsular Malaysia, proportionate grants were to be made for social welfare purposes in Sabah and Sarawak.[44]

The provisions on immigration are unusual for a federal state. The Borneo states seem to have been fearful that large numbers of persons would be attracted to them from densely-populated areas in Singapore and Peninsular Malaysia. These fears were expressed in the Malaysia Solidarity Consultative Committee Memorandum and also in other representations to the Cobbold Commission. They were met in the Malaysia Act and in the complementary Immigration Act, 1963. Generally, control over immigration into the new Federation from outside, or between the Borneo states or between a Borneo state and the rest of the Federation, is a federal matter. But where it is a question of immigration into a Borneo state, with a few exceptions, in effect that state has a veto on entry and residence.[45]

Other provisions affecting the Borneo states concerned the position of the natives. Article 153 in the Constitution of the Federation of Malaya was to apply (with the substitution of references to natives of one of the Borneo states for the references to Malays) to reservations of positions in the public service in the two states and to scholarships and so on.[46] The relatively large number of seats given to the Borneo

[43] Ibid., Sec. 61(3)[161(3)].

[44] Ibid., Sec. 64[161C].

[45] Ibid., Sec. 60(1)[9(3)]. See also the Immigration Act, 1963.

[46] Ibid., Sec. 62(2)[161A]. On 1971 amendments see p. 98.

territories in the Federal Parliament was intended to be yet another reassurance to the natives that they would not be dominated by Peninsular Malaysia. There were also financial provisions on special grants to the Borneo states and additional sources of revenue assigned to the states. These were to be subject to review, in the first instance after five years.[47]

The constitutional provisions for Singapore's powers and functions were also different from those of the states in Peninsular Malaysia.[48] Some related to the topics just discussed with reference to the Borneo states, for instance, language. But other provisions were peculiar to Singapore. Unlike any other state, Singapore was given control of education, labour, and other subjects. It would have been political suicide for any Singapore Government to have attempted to conform to the Malayan pattern of education and to have removed the possibility of state-subsidized secondary education in the Chinese medium. Similarly, Singapore labour laws were substantially more favourable to workers than Peninsular Malaysia's; it would have been retrogressive and unpopular to have assimilated them to Peninsular Malaysia's.

The question of Singapore citizenship was complex and, after Malaysia had been proposed by the Tunku, it had led to acrimonious debate between the Singapore Government and its political opponents, chiefly the Barisan Sosialis. The root of the problem was that, before Malaysia, the qualifications for obtaining Singapore citizenship had been much less strict than the corresponding qualifications for obtaining citizenship in the Federation of Malaya. Consequently, if the new Federation applied the Federation of Malaya citizenship criteria to Singapore, only about two-thirds of the Singapore adult citizens would qualify.[49] This arrangement would have caused great discontent, and would have been regarded as an example of anti-Chinese discrimination. On the other hand, the Federal Government feared that, if qualifications for Singapore citizenship were to be less strict than for citizenship in Peninsular Malaysia, Singapore politicians and voters might move into Peninsular Malaysia and upset its political ''balance''. The solution adopted

[47] Ibid., Secs. 45-7 [Tenth Schedule and Articles 112C and 112D].

[48] Ibid., Fourth Schedule, Part II [Ninth Schedule, Lists IIB and IIIB].

[49] The majority by birth, a smaller number by registration. See also ibid., Secs. 23-34 [14-31].

was to continue the system by which Singapore laid down its own conditions for citizenship and to say that such "Singapore citizens" would have parity of status with "federal citizens". There was, however, one important consequence of this choice of terminology: only Singapore citizens could stand for the legislature or vote in Singapore, and only federal citizens could stand for the legislature or vote in Peninsular Malaysia. However, citizens of one could campaign in the territory of the other. These provisions were important, because they limited the strategy of a party established in one of the two territories which wanted to expand into the other.[50] The restrictive aspects of the citizenship provision must be considered along with the low number of seats (15) allocated to Singapore in the Malaysian Federal Parliament. This was explained by saying that the number of Singapore seats should be small because Singapore retained control over education, labour, and so on. But, taken in conjunction with the citizenship arrangement, the net result was to "insulate" politics in Peninsular Malaysia to some degree from the impact of Chinese votes in Singapore.

The financial relations between Singapore and Peninsular Malaysia were eventually embodied in a White Paper,[51] given legal force by the Malaysia Act. There were two main aspects of the negotiations: the respective roles of the Singapore and the Malaysian Federal Governments in collecting taxes and the divisions of revenues between them; the provisions for a common market[52] and co-ordination of tariffs. In the short run Singapore was anxious to minimize the damage to its entrepot trade. In the longer run, unless it reached an agreement on a common market with Malaysia, its industrialization plans would be frustrated because of its small internal market. As the date fixed for the formation of Malaysia drew nearer, the bargaining on the terms

[50] E.g., when the PAP decided to enter candidates for the 1964 federal elections. For a restatement of the citizenship provisions for the whole of Malaysia, as contained in the Malaysia Act, see H.E. Groves, *The Constitution of Malaysia* (Singapore, 1964), ch. XI.

[51] *Agreement between the Governments of the Federation of Malaya and Singapore on Common Market and Financial Arrangements* (Cmd. 27 of 1963, Federation of Malaya), reprinted as "Annex. J" of the Malaysia Agreement (Kuala Lumpur 1963). For the financial arrangements with the Borneo states see p. 107.

[52] On the relation between the common market issue and the financial issue, see Osborne, op. cit., pp. 50-61. See also *Report on the Economic Aspects of Malaysia,* by a Mission of the International Bank for Reconstruction and Development (Kuala Lumpur, 1963), chs. III, IV and V.

became more intense and acrimonious. Incredible as it may seem, the early negotiations did not appear to have resolved a fundamental point—*which* government should collect income tax in Singapore.[53] New issues came up late in the discussions. The Federal Government persuaded the Singapore Government to make a loan, interest-free for the first five years, to the Borneo Governments. In turn, the Singapore Government stipulated that for any project financed by that loan 50 per cent of the labour should be recruited from Singapore. However, this condition had rather tenuous constitutional status, having taken the form of an agreement signed on the back of an envelope by the Tunku and Mr Lee during a session of the final negotiations at the Ritz Hotel in London.[54]

As it happened, Malaysia was not formed on the planned date of 31 August 1963, the anniversary of Malaya's Independence Day (1957). Indonesian and Philippine objections resulted in postponement until 16 September.[55] A further attempt to prevent the formation of Malaysia came from the Government of the state of Kelantan on 10 September, when it instituted a legal action to have the Malaysia Act declared null and void, or to have it declared not binding for Kelantan.[56] The action failed, and Malaysia came into existence on 16 September 1963.

Evidently Malaysia is a looser form of federation than Malaya. This is clear from the existence of a number of subjects—such as citizenship, religion, and the constitution and jurisdiction of the High Court—where the powers of the Borneo states are different from those of the other states; on these subjects the Constitution of Malaysia may not be amended without the concurrence of the state concerned.[57] The comparative looseness of the new Federation and the lack of uniformity of powers among the states may be distressing to the constitutional purist. Nevertheless, the arrangements made, or something close to them, were essential if Malaysia were to come into existence at all, except by force. It was indeed necessary that in "fu-

[53] Lee Kuan Yew, in *Singapore Legislative Assembly Debates,* Vol. XXX, No. 6, 10 June 1963, cols. 613-20.

[54] Ibid., 10 and 24 July 1963: *Malaysia Agreement, Exchange of Letters* (Singapore, 1963). It was never implemented.

[55] *Straits Times,* 22 and 23 August 1963.

[56] Groves, *The Constitution of Malaysia,* op. cit., p. 132.

[57] Malaysia Act, Secs. 66 and 69[161E and 161H].

ture constitutional arrangements the Borneo people can have a big say in matters in which they feel very strongly.''[58] The Constitution of Malaysia tried to do just this in framing the constitutional provisions for the Borneo territories and also, in a rather different way, for Singapore. In neither case did the attempt to reconcile state desires for autonomy with central government requirements for uniformity proceed smoothly. Constitutional relations were complicated by party rivalries. The Borneo states' Governments had disputes with the Central Government, which in Sarawak led to the imposition of a State of Emergency in 1966. The relationship between the Central Government and the Singapore Government gave rise to even more difficulties. In the end the strains were simply too great for Singapore to remain in the new federation.

Frictions: Singapore Government and Federal Government[59]

While Singapore was in Malaysia, from September 1963 until August 1965, many points of friction developed between the Singapore State Government and the Federal Government in Kuala Lumpur. These points of friction interacted, and in the end made it impossible for Singapore to remain inside Malaysia without violence erupting. However, for the purpose of analysis, it is possible to classify the contentious issues under four headings: constitutional, party, racial, and personal.

Many of the constitutional points were on economic and financial issues. Singapore is the biggest port in Southeast Asia, and in the past profited greatly by being a ''free port'', where customs duties did not apply. But, although the revenues from this source had been considerable, even before Malaysia was proposed the Singapore Government had decided that they were not enough to support Singapore's increasing population and growing economic expectations. So the decision was made before 1963 to industrialize Singapore, even though the need to protect some of the new local products by tariffs would injure Singapore's revenue from trade. With the formation of Malaysia the problem became more complex.

[58] ''Cobbold Report'', p. 114, quoting the Tunku.

[59] In addition to references mentioned in the text, see: R.S. Milne, ''Singapore's Exit from Malaysia; the Consequences of Ambiguity'', *Asian Survey,* Vol. VI, No. 3 (1966); *Separation, Singapore's Independence on 9th August, 1965* (Singapore, 1965).

Peninsular Malaysia had also started to industrialize, notably in the area of Petaling Jaya, a suburb of Kuala Lumpur. Many of the products to be manufactured in Peninsular Malaysia or Singapore were intended for internal consumption, not for export. It was desirable, therefore, to take advantage of the economies offered by the whole internal market in Peninsular Malaysia, Singapore, Sarawak, and Sabah, and not have wasteful competition between factories in Singapore and Peninsular Malaysia which produced almost identical products.[60] This implied that industrial expansion in Singapore and Peninsular Malaysia had to be coordinated. At the same time the free port status of Singapore, and of other free ports in Malaysia (Penang and Labuan), could not be ended too abruptly, or dislocation and suffering would result. However, after Malaysia was formed little progress was made in setting up a common market, and this was a source of frustration to Singapore.

By the Malaysia Agreement,[61] until December 1968 the Federal Government had to obtain the consent of the Singapore Government to the imposition of new import duties: this consent could have been withheld if it appeared that this might significantly prejudice the Singapore entrepot trade. Effectively, the Singapore Government was given a delaying power of twelve months. When the federal budget for 1965 imposed a range of new duties and taxes, there were complaints from Singapore that there had not been the necessary consultation. The argument which followed showed that the terms of the Agreement had either not been clearly understood or had been found difficult to observe by some of those concerned.[62] A further reminder of the new federal powers over Singapore was given in February 1965, when Tun Tan Siew Sin reminded Singapore industrialists that before opening any factories they should consult the Central Government on tariff protection and the grant of preferential treatment through being given pioneer status.[63] Competition in manufacturing and exporting between Singapore and Peninsular Malaysia did not cease with the formation of Malaysia. In some respects it became more fierce, and

[60] *Report on the Economic Aspects of Malaysia,* by a Mission of the International Bank for Reconstruction and Development (Kuala Lumpur, 1963), chs. III, IV, and V.

[61] Annex. J, 3(3).

[62] Dr Goh Keng Swee, *Straits Times,* 2 December 1964; Tun Tan Siew Sin, ibid., 3 December 1964.

[63] Ibid., 17 February 1965.

certainly more publicized, because of the political overtones which existed.

By the Malaysia Agreement (Annex. J, 6) power was delegated to the Singapore Government to collect customs and excise duties and income tax in Singapore. With some exceptions, all revenue thus collected was to be paid into a special fund to be divided in the proportion of 60 per cent to the Singapore Government and 40 per cent to the Federal Government. At the end of 1964 Tun Tan Siew Sin said that Singapore's tax burdens were the lightest in Malaysia and that its revenue was far in excess of its requirements. In the light of Malaysia's increasing defence costs, he proposed that the financial arrangements should be reviewed and that Singapore should hand over 60 per cent of the revenue it collected, and not 40 per cent.[64]

Political differences between the Alliance and the PAP developed rapidly during 1964. Originally, the strategy of the PAP seems to have been to try to divide the UMNO and the MCA by showing the worthlessness of the MCA as a partner in the Alliance, and by replacing it in the Alliance. This was the line pursued by the PAP during the 1964 elections in Peninsular Malaysia, when it fought only seats which the MCA, as opposed to the UMNO, was contesting. But the attempt to separate the UMNO from the MCA failed. Once the Tunku and other UMNO members had come to the support of the MCA, any PAP attack on the MCA was also in effect an attack on UMNO.

Relations between the UMNO and the PAP also deteriorated as a result of events in Singapore. An Alliance explanation was that, after Malaysia was formed, the Malays in Singapore "felt themselves neglected and despised. They expected the Government to improve their lot but the State Government of Singapore made no provision for special treatment of any one particular race or community. They therefore felt aggrieved."[65] It might be added that, after the formation of Malaysia, the Singapore Malays, although isolated locally, were perhaps emboldened by the thought that, in a wider sense, they were now no longer isolated, because they were inside a federation in which political power was wielded mainly by Malays. The Singapore

[64] Ibid., 3 December 1964, 19, 20, 22 and 26 July 1965. The issue of 22 July reproduced a letter written by Tun Tan to Dr Goh, the Singapore Finance Minister, on 20 November 1964, in which reference was also made to agreement not having been reached on the payment of Singapore's loan to the Borneo states.

[65] *Speech by Tunku Abdul Rahman, 17th General Assembly of UMNO* (Kuala Lumpur, 6 September 1964), p. 12.

UMNO was also anxious to revenge itself on the PAP which had defeated it in the three mainly Malay seats at the 1963 elections for the Singapore Legislative Assembly. Malay discontent over a Singapore urban development scheme, which would have forced some Malays to leave their homes, led to an invitation by the Singapore Government to over a hundred Malay organizations to meet Mr Lee Kuan Yew and discuss with him problems affecting the Malays. But an UMNO-sponsored convention decided to boycott the meeting and appointed an "action committee" to speak for all the Malays in their future dealings with the Singapore Government.[66] On this occasion Dato (later Tan Sri) Syed Jaafar Albar, the national secretary-general of UMNO, made a highly provocative speech, accusing Mr Lee, among other things, of trying to break the backbone of the Malay community in Singapore. Soon afterwards riots occurred in Singapore and a curfew had to be imposed twice, in July and September. The rioting was intensified by the activities of gangsters and pro-Indonesian agents. But the clearly communal basis of the riots worried politicians from both Singapore and Peninsular Malaysia, who made numerous statements on the importance of communal harmony and drew up plans to raise the standard of living of the Singapore Malays. As a consequence of the riots the PAP's long-term prospects in Peninsular Malaysia were certainly harmed; the troubles in Singapore had damaged its image in Peninsular Malaysia by suggesting that it was an "anti-Malay" party.

Looking back on the period of nearly two years when Singapore was part of Malaysia, it would seem that the Alliance leadership had not expected the PAP to compete so aggressively in politics within Peninsular Malaysia. It was surprised that something like "free trade in politics" was developing, and viewed the PAP's activities as a breach of an unspoken agreement that even inside Malaysia Singapore would be to some extent politically insulated.[67] The PAP Govern-

[66] *Straits Times,* 13 July 1964. See also ibid., 20 and 21 July 1964. The conflicts in Singapore in the second half of 1964 are well covered in Michael Leifer's "Singapore in Malaysia: the Politics of Federation", *Journal of Southeast Asian History,* Vol. VI, No. 2 (1965), pp. 63-9.

[67] Cf. the Tunku's statement that Mr Lee's persistent incursions into Malaysian politics were tantamount to broken pledges (*The Times* (London), 17 August 1965). See also Mohamed Noordin Sopiee, op. cit., p. 189, fn. 23. The limitation of Singaporean representation in the Malaysian House of Representatives to 15 seats and the Singapore citizenship provisions, described earlier, may be regarded as devices for insulating Singapore politically from Peninsular Malaysia.

ment, however, did not relish the Tunku's advice that it should concentrate less on politics and more on making Singapore "the New York of Malaysia".[68] It did indeed want to do more than just to run Singapore as a state and as an important business centre for Malaysia.[69]

There was a striking difference of approach to communalism between the responsible party leaderships. The PAP believed in drawing attention to the existence of communal problems, analyzing them, and stressing the necessity of overcoming them if Malaysia were to survive. The Alliance, while believing that it was necessary to make general pronouncements on the desirability of racial harmony, feared that any extensive open examination of communal differences, for example, at university forums on politics, would only stir up trouble. The difference in approach was perhaps traceable to a difference in temperament. The PAP was a theoretical, calculating party, while the Alliance distrusted ideology. But the difference in approach could also have been based on their estimates of the consequences. The PAP, as a non-communal socialist democratic party, could believe that a rational examination of communal issues would lead to their becoming recognized as a less important political factor, so laying the foundation for a non-racial appeal along lines of class differences. The Alliance, on the other hand, as an inter-communal party subject to internal stresses, might think that its own cohesion could be imperilled by discussions on communal issues which might become hard to control. The resulting paradox was that the Alliance, a party with a communal structure, believed that too frequent open discussion of the problems of communalism was itself "communal"; and the PAP, a party with a non-communal structure, nevertheless believed that communal problems should be subjected to perpetual scrutiny. Differences in *methods* of conducting party politics were accompanied by a contrast in *styles,* and the Alliance found the PAP style distinctly abrasive.[70]

In practice communal tension was stepped up in several ways. Singapore leaders repeatedly attacked what they called the "ultras" in

[68] Cf. Lee Kuan Yew, quoted in *Malaysian Mirror,* 6 March 1965. The *Malaysian Mirror* (after Singapore left Malaysia, the *Mirror*) is published by the Singapore Ministry of Culture.

[69] As suggested by the Tunku, *Straits Times,* 18 April 1965.

[70] Mohamed Noordin Sopiee, op. cit., pp. 184-5.

the Federal Government, notably Dato Syed Jaafar Albar, whose intervention in Singapore they held mainly responsible for the riots of 1964, and what they regarded as racially inflammatory articles in the Malay newspaper, *Utusan Melayu*. They built up the sinister image of the paper by repeatedly mentioning that it was printed in *Jawi* (Arabic) script. On the other hand, when Mr Lee laid stress on the ethnic composition of Malaysia as being approximately 40 per cent Malay, 40 per cent Chinese and 20 per cent others, UMNO leaders treated this, not as an academic argument for a multi-racial approach, but as an attempt to show up the Malays as a minority in "their own" country. As indicated in the titles of his speeches, *Towards a Malaysian Malaysia, Are There Enough Malaysians to Save Malaysia?* and *The Battle for a Malaysian Malaysia,*[71] Mr Lee became more and more explicit in putting forward *his* version of the case for a non-communal approach, on the basis of the "racial arithmetic" of Malaysia.

The "Malaysian Malaysia" approach was taken up in May 1965, when the PAP joined with two parties in Peninsular Malaysia, the UDP and PPP, and two in Sarawak, SUPP and MACHINDA, to form the Malaysian Solidarity Convention. Even after the departure of Singapore from Malaysia, the formation of the Convention continued to have obvious implications for the future of Malaysian politics. Here two aspects of the situation may be noted that had a bearing on communal tensions and on the viability of Singapore as a member state of Malaysia. First, although most of the leaders of the Convention, and certainly the PAP leaders, made no attack on Malay "privileges" or on the Malay language,[72] this could not obscure the fact that they were making an attack on the political predominance of the Malays. Second, although the members of the Convention had founded it as a protest against Malay "communalism", all the protesting parties, except MACHINDA, which was a new party, were dependent mainly on Chinese votes. So, although the Convention was a protest against communalism, in a sense it was itself necessarily a "communal" protest.

As well as the constitutional, party, and communal factors, there was also a personal element involved. Among the PAP there was real hatred of the "ultras", particularly of Dato Syed Jaafar Albar. Mr

[71] Three booklets with these titles were published by the Singapore Ministry of Culture in 1965.

[72] Lee Kuan Yew, *The Battle for a Malaysian Malaysia,* op. cit., p. 29.

Lee was generally distrusted among the UMNO leaders, and it was alleged that it was his burning ambition to be the Prime Minister of Malaysia one day. The Tunku later commented that there had been a "certain inclination on the part of some countries to look upon the Prime Minister of Singapore as an equal partner in the Government of Malaysia . . . and this has made the situation rather awkward for us."[73] This inclination must have been stimulated by Mr Lee's frequent tours of Asia, Africa, Australia, and New Zealand. Resentment against foreign (mostly British) journalists who appeared to favour Singapore and Mr Lee over the Federal Government and the Tunku was symbolized by the expulsion from Malaysia in May 1965 of Mr Alex Josey, who was personally very close to some of the PAP leaders.

The Expulsion of Singapore

By May 1965, the cumulative effect of the tensions just described was becoming almost intolerable. Almost every day the newspaper headlines reflected another aspect of the quarrel between the Federal and Singapore Governments. In May the formation of the Malaysia Solidarity Convention was announced. And on 27 May Mr Lee moved an amendment following the King's Speech in Parliament. This "straw that broke the camel's back" cast doubt on the claims of Malays to be more native to Malaysia than other racial groups.[74]

For some time before separation actually occurred there had been efforts to reach some kind of agreement which would keep Singapore inside Malaysia but on different terms. Towards the end of 1964 the Tunku proposed a "looser arrangement" than the current one, by which Singapore would "handle her own domestic, financial, economic and social affairs". The Federal Government would retain only powers over defence and internal security. He also envisaged that in exchange for enjoying the benefits of the (not yet created) common market Singapore's political parties would refrain from participation outside its territory. Nothing definite came of this proposal. It was resisted by Tun Tan Siew Sin, who, both when Malaysia was formed and later when these looser arrangements were being proposed, was

[73] Text of the Tunku's speech in the House of Representatives, 9 August 1965,. *Singapore Breakaway* (Kuala Lumpur: Department of Information, 1965), p. 5.

[74] Tunku Abdul Rahman, "Looking Back", *The Star*, 7 April 1975.

opposed to a "half-way house" between full integration or nothing.[75] However, discussions on new arrangements were still taking place after the Tunku's provisional decision on separation,[76] a few weeks before actual separation.

The question of a possible "looser arrangement" should be distinguished from more ambiguous references to "alternative arrangements", made by Mr Lee from May 1965 onwards. He mentioned Singapore, Sarawak, and Sabah, and possibly Penang and Malacca, as states which wanted a "Malaysian Malaysia", and as being possibly concerned in such arrangements. He did not mention "partition", but some of his opponents thought that he was advocating it indirectly.[77]

Another way of reducing tension between the Federal and Singapore Governments would have been to admit Singapore representatives into the Cabinet. This coalition possibility, which had been suggested by a former British Prime Minister, Sir Alec Douglas Home, was raised by Lee Kuan Yew in July or August 1964. It was rejected by the Federal Government—for two years at any rate, according to one account.[78] In June 1965, soon after Parliament had finished sitting, the Tunku went to London for the Commonwealth Prime Ministers' Conference. At the end of June he entered a London hospital to be treated for shingles; while convalescing he weighed the situation in Malaysia and its increasing tensions and came to the conclusion that Singapore should leave Malaysia. His suffering concentrated his mind on the problem. "Every movement caused grinding pain, but the mind was alive and active; so as I laid there I was thinking of Mr Lee Kuan Yew. The more pain I got the more I directed my anger on him . . ."[79] He could come to only one conclusion, which he summed up a year later: "If we had not separated there would have been blue murder."[80] He communicated this decision to a small

[75] Tunku Abdul Rahman, ibid., 31 March 1975; Mohamed Noordin Sopiee, op. cit., pp. 198-9; Tun Tan Siew Sin, *Straits Times,* 16 August 1965; Tunku Abdul Rahman, ibid., 27 August 1965; Alex Josey, *Lee Kuan Yew* (Singapore, 1968), p. 413.

[76] Mohamed Noordin Sopiee, op. cit., p. 217; Josey, op. cit., p. 411.

[77] Lee Kuan Yew, *The Battle for a Malaysian Malaysia,* op. cit., pp. 17-18; Mohamed Noordin Sopiee, op. cit., pp. 204, 218.

[78] Accounts are conflicting. See Tunku Abdul Rahman, "Looking Back", *The Star,* 7 April 1975; Gordon P. Means, *Malaysian Politics* (London, 1970), pp. 345-6; *Straits Times,* 29 July 1966.

[79] Tunku Abdul Rahman, "Looking Back", *The Star,* 7 April 1975.

[80] *Straits Times* (Malaysia), 4 July 1969.

number of his Cabinet colleagues, who then talked things over with government leaders from Singapore.[81] Preparations were begun for drawing up a separation agreement and for amending the Constitution. After the Tunku returned to Malaysia on 5 August, Mr Lee and other PAP leaders went to Kuala Lumpur, and were reluctantly convinced that the Tunku's plan must go through. The whole proceedings were carried out in great secrecy. The British High Commissioner and the Mentris Besar and Chief Ministers of the states of Malaysia, including Sarawak and Sabah, were informed only a day or so before the official announcement was made by the Tunku in a speech in the Dewan Rakyat on 9 August.

In his speech to the House, the Tunku reviewed the course of recent events, including the quarrels between the two governments and the dangers of racial violence. When he thought over the problem in London it "appeared that as soon as one issue was resolved, there another cropped up. When a patch was made here, a tear appeared elsewhere, and where one hole was plugged, other leaks appeared."[82] Some of the blame for what had happened was attributed to the "political activities and enthusiasm of the various politicians in Singapore",[83] although the Tunku also said that every day irresponsible utterances were being made *by both sides*.[84] There were only two courses of action open. "Number one is to take repressive measures against the Singapore Government for the behaviour of some of their leaders, and number two to sever all connections with the State Government that has ceased to give even a measure of loyalty to the Central Government." The first of these courses was rejected, "as repulsive to our concept of parliamentary democracy" and also because repressive action would only intensify communal feeling.[85] The second solution, that Singapore should leave Malaysia, was therefore adopted. The swiftness and secrecy of the decision on separation, the possibility that delay would mean leaks, and that leaks would mean riots, added to the fact that the alternative *was* repression, explained the Singapore decision to sign the separation agreement.[86]

[81] Conceivably, even at this stage, the break could have been avoided (Mohamed Noordin Sopiee, op. cit., pp. 206-7).

[82] *Singapore Breakaway*, p. 1.

[83] Ibid., p. 5.

[84] Ibid., p. 8 (emphasis supplied).

[85] Ibid., p. 2.

[86] Mohamed Noordin Sopiee, op. cit., p. 219.

It has been argued by some that the Tunku had been under heavy pressure from the ultras and right wing of UMNO. But perhaps too much was read into a passage in his letter to Dr Toh Chin Chye, the Deputy Prime Minister of Singapore: "If I were strong enough and able to exercise complete control of the situation I might perhaps have delayed action, but I am not."[87] The reference here is surely to the *entire* situation, of which the ultras were only a part, although an important part. Certainly, to suppose that the crisis could have been solved bloodlessly by "smacking down" six ultras and forming a looser federation[88] would have been just as unrealistic as to imagine that the arrest of half a dozen PAP leaders would have produced a non-violent solution. But Singapore's expulsion did not amount to a victory for the ultras. Significantly, Dato Syed Jaafar Albar resigned the post of secretary-general of UMNO only two days after Singapore's separation from Malaysia. One of the reasons he gave for his resignation was that the separation left Singapore as a very close neighbour, controlled by a party hostile to the Central Government, which might become a focus of subversion.[89] The inference is that if he had been in control he would have been decidedly tougher in his dealings with the Singapore leaders.

The main danger to the Tunku from the ultras was not immediate, but rather lay in the possibility of an escalation of the fight between them and the PAP, and its eventual effect on the Tunku's position. To remove Singapore was to defuse the ultras by depriving them of their chief target. In this way the drift to extremism among the Malays, and the ultimate threat to the Tunku's moderate stance within UMNO, would be weakened—for some time.[90]

[87] *Straits Times,* 11 August 1965. The Tunku explained his use of the phrase "strong enough" in the next day's issue. See also Tunku Abdul Rahman, "Looking Back", *The Star,* 14 April 1975.

[88] *Straits Times,* 12 August 1965 (Lee Kuan Yew).

[89] Ibid.

[90] Mohamed Noordin Sopiee, op. cit., p. 223.

5
1969 AND AFTER

Although Malaysia was racially divided, and politics was closely linked to racial considerations and calculations, the degree of racial violence was not extreme. An important exception was the fighting at the end of World War Two between the MPAJA and the Malays. The Emergency, too, had a racial character, insofar as the majority of the guerillas was Chinese. In the 1960s three major "racial" incidents occurred; in Bukit Mertajam (Province Wellesley) in 1964, in Kuala Lumpur in 1965, and in Penang in 1967.[1] However, before the 1969 elections the scene was deceptively quiet. Many problems which had previously caused concern seemed to have been settled. President Sukarno had died, out of power, and Confrontation with Indonesia was over. In the Borneo states, parties which had antagonized the Federal Government by demands for a high degree of state autonomy no longer controlled the State Governments, although in Sarawak the Sarawak National Party (SNAP) was still strong. The National Language Act of 1967 was an attempt at a fair compromise between the claims of Malay and those of other languages. The Tunku, in August 1967, thought that the Act had been widely accepted.[2] In fact, the compromise had been rejected by militant and influential groups of Malays and non-Malays.[3]

Intelligent observers, aware of racial incidents in the past and of the relatively open society in Malaysia which made it easy for racial frictions to escalate, were under no illusions. They did not believe that all groups "worked together harmoniously for the common good". On the other hand, they hoped for incremental improvement. They also thought that perhaps the "eggshell syndrome" would operate: that, because there *had* been previous racial clashes which had caused damage and suffering, leaders, and potential leaders, might be

[1] *The May 13 Tragedy: A Report of the National Operations Council* (Kuala Lumpur, 1969), pp. 1-20; Felix V. Gagliano, *Communal Violence in Malaysia 1969: the Political Aftermath* (Athens, Ohio, 1970), pp. 6-9; Nancy L. Snider, "What Happened to Penang?", *Asian Survey,* Vol. VIII, No. 12 (1968), pp. 960-75..

[2] *Straits Times,* 4 August 1967.

[3] See pp. 367-9.

responsible enough to resolve to avoid them in the future. The situation was always potentially explosive; but no observer predicted the shape and timing of what happened in 1969, just as no student of Indonesian affairs had predicted the shape and timing of events there in 1965.

Numerous accounts, which do not always agree with one another, have been given of the events of May 1969.[4] The intention here is not to give a blow-by-blow description of who did what to whom, when, and with what effect. It is "not relevant, really, when you consider it, whether Mr 'X' threw the first stone, whether Party 'X' organized the first rally, whether so many Malays or so many Chinese or so many Indians were killed in such a tragedy as the 13th of May. One has to go further than that . . ."[5] The sequence of events started with an election campaign which, as it went on, became more intense and more concentrated on communal issues and personalities.[6] The Alliance won the elections, although not as conclusively as in 1964.[7] However, strangely, the non-Malay parties who "lost", particularly the DAP, were elated, while the "winners", the Alliance, were depressed. The explanation is that the DAP, although it did not "win", greatly improved on the PAP election performance in 1964, especially in the urban areas. It seemed that it had made a real breakthrough: ". . . on 10 May 1969, the forces of democracy received a great boost. After the results of the election there was a new mood for the country, one of renewed hope that democracy might work after all."[8] In this mood of exuberance the DAP and the Gerakan held several "victory processions" in Kuala Lumpur, some of which did not have police permission. (A "precedent" existed in the form of a funeral procession, organized by the Labour Party on 9 May, for a Chinese youth killed in a pre-election clash with the police.) Malays, reacting, also

[4] *The May 13 Tragedy,* op. cit.; Gagliano, op. cit.; Tunku Abdul Rahman, *May 13, Before and After* (Kuala Lumpur, 1969); John Slimming, *Malaysia: Death of a Democracy* (London, 1969); Karl von Vorys, *Democracy Without Consensus: Communalism and Political Stability in Malaysia* (Princeton, 1975); issues of the *Far Eastern Economic Review,* May and June 1969.

[5] *Parliamentary Debates on the Constitution Amendment Bill 1971* (Kuala Lumpur, 1972), pp. 101-2 (Musa bin Hitam).

[6] Von Vorys, op. cit., pp. 278, 284-5.

[7] See p. 164.

[8] *The Rocket,* Vol. 5, No. 1 (1970) (Lim Kit Siang).

planned to hold a procession, which was to have been led by Dato Harun, the Selangor Mentri Besar. But instead of a procession racial violence broke out, which culminated on the night of 13-14 May. As fighting spread, the police were unable to deal with the situation on their own and the military was called in. Actual violence, as opposed to tension, terror, and the fear of violence, was limited in space and time. The riots were confined almost entirely to Kuala Lumpur and the surrounding areas in Selangor.[9] Even in Kuala Lumpur a few days after 14 May, there were only scattered incidents, although fierce fighting broke out again, briefly, on 28 June.

In a way, the concentration of violence in space and time made it all the more terrifying. The official statistics, which may be an underestimate, give a figure of 196 deaths due to the Emergency between 13 May and 31 July, 172 of them in Selangor. The ratio of non-Malay to Malay deaths was about 6 to 1. The official figures of those injured for the same period was 439.[10] The concentration in space was additionally frightening because it took place in the national capital, impeding the movements, and access to information, of the government leaders who were trying to replace chaos by some sort of order.

The sequence of governmental reactions to the riots is as complex as the sequence of the riots themselves, although a little less obscure. To attempt to trace it in detail[11] would drastically distort the proportions of this book. It is more profitable to look at the causes of the riots as perceived by the politicians and at their consequent reactions. As far as immediate causes and immediate reactions are concerned, there is little relation between the two; irrespective of causes, immediate reactions were simply to stop violence and restore order. But those actions which were taken with long-term aims in mind were based on *interpretations* of the events of May 1969 and on an assessment of what had to be done to prevent a recurrence.

Causes and Reactions

It may seem simplistic to answer the question, "Why was there a 13

[9] The *effects* of the riots were also limited in one important respect: surprisingly little damage was done to the economy. This was largely due to the efforts of Tun Tan Siew Sin, chairman of the newly-created Capital Investment Committee which stimulated an increase in private investment (von Vorys, op. cit., pp. 398-9).

[10] *The May 13 Tragedy,* op. cit., pp. 88-90.

[11] As is well done in von Vorys, op. cit., Part Three.

May riot?" by saying, "Because there were rioters."[12] But in pointing to this obvious, most immediate, cause, Professor Syed Hussein Alatas was in effect suggesting that the answer had to be either in very simple or in very complex terms. As he pointed out, it is not enough, for example, just to say that the rioters were motivated by "economic imbalance", otherwise there would be constant communal tension and riots. But there is a case for believing that at any particular time, such as 13 May 1969, riots can be prevented (or the risk minimized) if certain measures are taken. Retrospectively, Tunku Abdul Rahman believed that he should have suspended the elections. "My greatest regret is that I allowed the election to proceed. I was too proud, I felt so sure I was going to win easily . . . What I should have done (in the light of the reports I was receiving) was to suspend that election, declare a State of Emergency, and allow time for everyone to cool off."[13] Alternatively, processions could have been disallowed, particularly the pre-election funeral procession. This might have resulted in demonstrations and violence to protest against the ban, but they would not have been on anything like the same scale as the riots which actually occurred.

Persons or groups blamed directly or indirectly for the riots were "certain racialist party members and supporters", the Malayan Communist Party (MCP), and secret societies.[14]

The "immediate" reactions of the Government were intended to stop violence from spreading, irrespective of what the "causes" were. They included the use of police and armed forces, arrests,[15] imposition of curfew, control of radio and television, censorship of the Press and bans on party journals and electoral campaigning.

Some major "political" reactions which helped to stabilize the situation should also be mentioned. Tun Ismail, who had been out of the Cabinet since 1967, returned to it almost immediately after 13 May. The ambiguous political situation in the states of Selangor and Perak, where the election results made it just possible that a non-

[12] Syed Hussein Alatas, "Proceedings of the Forum", *Trends in Malaysia II,* Yong Mun Cheong, ed. (Singapore, 1974), p. 127.

[13] *Far Eastern Economic Review,* 2 August 1974, p. 22.

[14] *The May 13 Tragedy,* op. cit., p. ix. The Tunku's book emphasized the role of the MCP.

[15] Notably V. David (Gerakan), for almost two months, and Lim Kit Siang (DAP), for nearly a year and a half.

Alliance State Government might be formed, was resolved in favour of the Alliance by a Gerakan statement that it would not join a coalition government in either state.[16] In addition, the uncertainty arising from the MCA's reactions to the election results was soon partially removed. The MCA's initial reaction had been one of extreme dejection, but this was due partly to its having dwelt upon its losses in seats, rather than on its, smaller, losses in votes.[17]

At the elections the MCA had appealed for votes partly on the ground that the Chinese could be represented in the Government only by the MCA and not by any other party. It was therefore judged to be logical that, in a non-crisis situation, the MCA should attempt to "educate" Chinese electors by showing them the consequences of their "mistaken" choice; so, the MCA announced on 13 May that, since the Chinese had rejected the MCA as their representative in the Government, the MCA would not participate in it, although it would remain in the Alliance. However, the riots followed almost immediately, and the consequence of the MCA withdrawal was confusion rather than education. The uncertainty was reduced when three MCA members entered the Cabinet on 20 May.

On a longer-term perspective, after recovering from the shock of 13 May, government leaders formulated their ideas on the underlying causes of the riots which necessarily gave indications about the course of future policy. Two main trends of thought emerged, both of which were mentioned in a 1971 government booklet.[18] One attacked the calling in question of the provisions of the Constitution or the "bargain" which represented agreement among the views of the different races. "During the election campaign in April and May 1969 emotions were aroused by racial extremists and irresponsible candidates and their supporters. Among the Malays, these elements created fears by questioning and ridiculing the provisions of the Constitution relating to Bahasa Malaysia and the special position of

[16] Goh Cheng Teik, *The May Thirteenth Incident and Democracy in Malaysia* (Kuala Lumpur, 1971), pp. 19, 23-6. He presents an argument that UMNO-Malay political insecurity was greater in Selangor than in Perak, and that the "location of the May Thirteenth Incident . . . was not coincidental".

[17] The electoral pact between the main opposition parties in 1969 produced a concentrated vote against the MCA in urban areas, instead of a vote split among several opposition parties as in 1964 (Tun Tan Siew Sin, "Tun Tan Answers the Press" (July 1969), in Tun Tan Siew Sin, *Blueprint for Unity* (Kuala Lumpur, 1972), p. 645).

[18] *Towards National Harmony* (Kuala Lumpur, 1971), pp. 1-2. See also *Parliamentary Debates on the Constitution Amendment Bill 1971,* op cit., p. 2 (Tun Razak).

the Malays while some of them created dissatisfaction by drawing attention to the inadequate implementation of these provisions. Among the non-Malays, they created the fear and mistrust that their legitimate interests as provided in the Constitution would be eroded.'' Often it was the non-Malays who were blamed for questioning these key elements of the Constitution. According to Tun Ismail, the Government in the past had been lax in seeing to it that Malay special privileges were not questioned.[19] But, according to the Tunku, there were also some young Malay students who did not question the bargain on specific points, but simply repudiated it. ''These people only want Malay rule. I asked them: 'Can you really do this? Can you really do without the other races?' And they replied: 'We don't care.'''[20] Tun Tan Siew Sin concluded that the elections had shown that the easiest way to get votes was to play up racial issues in their most extreme form. Therefore, before there was a return to parliamentary rule, there had to be a change in the rules of the game to ensure that fundamental policies and principles could not be questioned under any circumstances.[21]

The DAP denied that the questioning of Malay special rights or the status of the National Language or citizenship provisions had sparked off the May 13th incidents. In effect, it also queried whether the Constitution or the ''bargain'' should be binding on a different generation. ''The 1970 generation of Malaysians of all races is vastly different from the old 1957 generation. They constitute a majority. Their wants, their hopes, are also different; and the world they live in at home and abroad is no longer the same. No generation has the right to dictate to the future generation as yet unborn or not ready to vote what precisely their political destiny must be.''[22] Whatever force this argument might have had as political theory, the Government was determined that it should have no validity at all in law.

The second trend of thought pursued by government leaders, in their search for the underlying causes of the riots, was an economic one. It was felt that there was a need to improve the Malays' economic

[19] *Straits Times* (Malaysia), 18 July 1969. See also his contribution in *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 180.

[20] *Straits Times* (Malaysia), 1 August 1969.

[21] Ibid., 5 August 1969.

[22] Goh Hock Guan (*Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 84).

position, which had not been taken care of by the provisions of Article 153 of the Constitution, or by any other additional measures.[23] As was recorded later in *Towards National Harmony,*[24] there was a "growing sense of fear and insecurity among the Malays due to the disparity existing between themselves and the non-Malays, particularly in the fields of education and economics". In early July 1969 the *Far Eastern Economic Review* concluded that Tun Razak seemed to have decided that the root cause of the May riots was Malay economic resentment.[25]

Sometimes the two trends of thought were combined, as in a September 1969 interview by Dr Mahathir bin Mohamad,[26] who had recently got into trouble with the UMNO leadership,[27] but whose arguments reflected, and also no doubt helped to shape, a prevalent Malay view. Malay feelings against the Chinese, he said, had been rising since the Alliance came into power, mainly because of appeasement of the Chinese on language and education issues. Also, in the economic field implementation of aid for the Malays had not had the expected results. This could have been tolerated by the Malays, if they had not been frightened by the opposition parties who said that, if they came into power, they would completely deprive the Malays of their privileges.

The long-term changes in policy made after May 1969 were in line with the arguments just stated. In the first place, limits were to be put to the questioning of some parts of the Constitution and the "bargain": the scope of political discussion and controversy was to be restricted. Second, the economic position of the Malays was to be improved, not only in the limited ways provided for in Section 153 of the Constitution, but on a broad front. The instrument for achieving this was the New Economic Policy. Above all, there was now to be a new atmosphere in politics, which would continue even when the crisis situation had ended. It was no longer assumed that the ethnic groups in the country, if left to themselves, would operate in a hazy atmosphere of goodwill in the best of all possible multi-ethnic polities. This

[23] See pp. 324-5.

[24] Pp. 4-5.

[25] 10 July 1969 (Derek Davies, "The Racial Balance Sheet", p. 119).

[26] *Far Eastern Economic Review,* 18 September 1969, p. 699.

[27] See pp. 117-18.

was too much at variance with the brutal facts of May 1969. The Government's emphasis was on laying down guidelines and limits, sometimes in percentage form, and on enforcing them. There was to be "a new realism"[28] about racial problems. "So far . . . we have swept these problems under the carpet. Now we must face up to them squarely if we are to live together in peace and harmony and avoid a repetition of May 13. We must learn not to tread on each others' sensitivities. We have to have some form of code of conduct or ground rules."[29]

After the riots started, the Government took rapid action, under the Constitution, to alter the government structure. The Cabinet recommended that the King should proclaim a State of Emergency under Article 150 of the Constitution. Also by virtue of that Article he promulgated the Emergency (Essential Powers) Ordinance, 1969, giving himself wide powers on public safety, defence and the maintenance of public order, supplies and services. Meetings of Parliament and of State Legislative Assemblies were suspended, as were elections in Sarawak and Sabah. The Emergency Regulations, made under the Proclamation of Emergency in 1964, were revived.[30] A second Emergency (Essential Powers) Ordinance was promulgated two days after the first, delegating the executive authority of the Federation, normally exercised by the Cabinet in the name of the King, to a Director of Operations, the Deputy Prime Minister, Tun Razak. In this capacity Tun Razak had wide executive and legislative powers. However, he had to act on the Prime Minister's (the Tunku's) advice, and was to be assisted by a National Operations Council appointed by himself. At the same time provision was made to set up State Operations Committees and District Operations Committees; the

[28] Tun Razak, *A New Realism* (TV and radio speech, 13 June 1969, printed by the Malaysia Information Department).

[29] Tun Razak, *Straits Times* (Malaysia), 19 July 1969.

[30] Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), p. 193; Tan Sri Abdul Kadir bin Yusof, "The Road Back to Parliament", *Malaysian Digest,* 14 November 1970, p. 1. The suspension of elections affected the elections to the Council Negri and the Federal Parliament in Sarawak, those to the Federal Parliament in Sabah, and also a by-election in Malacca Selatan.

Tan Sri Abdul Kadir drew attention to a difference between the 1969 Emergency and previous Emergencies. During the anti-communist guerilla Emergency and the Indonesian Confrontation Emergency, the people were united, he said, against an external enemy. In 1969 the divisions were internal. Therefore, it was possible for parliamentary rule to continue in the first type of situation but not in the second.

Director of Operations appointed their members and directed their activities.[31] Simultaneously, steps were taken to increase the size of the army.

The National Operations Council: Its Relations with the Cabinet

The National Operations Council (NOC) included some politicians, apart from Tun Razak: Tun (Dr) Ismail, Minister of Home Affairs; Datuk Hamzah, Minister of Information and Broadcasting; Tun Tan Siew Sin; Tun Sambanthan. It also had two civil servants, Tan Sri Abdul Kadir Shamsuddin, Director of Public Services, and Tan Sri Ghazali Shafie, Permanent Secretary, Ministry of Foreign Affairs. There was a military and a police component, consisting of General Tengku Osman Jiwa, Chief of Staff of the Armed Forces, and Tan Sri Mohammad Salleh, Inspector-General of Police. The Chief Executive Officer was another military man, Lieutenant-General Dato Ibrahim bin Ismail. The NOC differed from the Cabinet in quite a number of ways. It had to deal with what was largely a security situation, which initially focussed its attention on specific and immediate problems.[32] It also needed to meet more frequently than the old Cabinet's once-a-week meeting: at first it met daily, later on twice weekly.[33] These considerations indicated that its size should be smaller than that of the Cabinet and that the membership should include representatives of the military and the police. These members played an important role in the NOC's deliberations. Among the politicians, Tun Razak and Tun Ismail carried the greatest weight.

The Cabinet (and also the ministerial system), which had been in office during the elections, continued to exist; it was still headed by the Tunku as Prime Minister but it was no longer responsible to Parliament. Conceivably, the Cabinet could have been abolished, but there would have been a loss of "representativeness" at a high level, and it might have suggested that there would be a longer period of emergency non-parliamentary rule than was actually contemplated. Another possibility would have been to have a small Cabinet, including representatives of the military and police, instead of having an

[31] Tan Sri Mohamed Suffian, op. cit., pp. 193-4; Professor Ahmad Ibrahim, "Introduction", *Parliamentary Debates on the Constitution Amendment Bill 1971*, op. cit., p. x.

[32] It resembled the machinery set up by General Templer during the anti-communist Emergency (*Straits Times* (Singapore), 17 May 1969). See also von Vorys, op. cit., pp. 346-55.

[33] Tun Ismail, *Straits Times* (Malaysia), 21 June 1969.

NOC. However, this also would have limited representation, and the presence of military and police in the Cabinet might have led to a fear of lasting authoritarian rule. The NOC therefore co-existed with the Cabinet. It was not possible to draw a strict line separating their activities. Although, theoretically, the NOC was meant to be concerned only with decisions regarding the Emergency and related matters, the number of related matters was very large, so great was the impact of the crisis. There was inevitably some duplication between the NOC and the Cabinet, but Tun Razak sat on both, and he and the Tunku were in frequent communication.[34] It was only when attempts were made to define the relationship between the two bodies too closely that contradictions were apparent. Naturally, as the security position improved, and, later, after the decision had been made to recall Parliament, the importance of the Cabinet increased. Nevertheless, it was the NOC which was mainly responsible for creating the institutions and programmes which were intended to remove the possibility of a repeat performance of the events of 13 May 1969. In practice, the activities of the NOC and the Cabinet were quite closely coordinated. The provision that Tun Razak, as Director of Operations, had to act on the advice of the Tunku, as Prime Minister, worked very well, given the close relations between the two and the Tunku's natural inclinations to delegate.[35]

The Political Atmosphere

Before considering the long-term programmes of the NOC, some of the political events which occurred soon after 13 May need to be mentioned because of their effect on future events. Some "radical" Malays were moved to make pro-Malay gestures and declarations. Their activities, however, were restricted by the Government, although many of the policies which they advocated very soon became accepted as part of governmental programmes.

The incident which received most publicity was the publication of a letter sent to the Tunku by Dr Mahathir bin Mohamad, a member of UMNO's Supreme Council who had just lost his Kedah parliamentary

[34] The Tunku was not formally a member of the NOC, but he could attend its meetings (von Vorys, op. cit., pp. 345 and 380).

[35] When Tun Razak replaced the Tunku as Prime Minister, the Emergency (Essential Powers) Ordinance no. 2, 1969 was amended to delete references to the advice of the Prime Minister.

seat. Dr Mahathir was one of a group of Malay intellectuals who believed that the events of 13 May confirmed their diagnosis that not enough was being done for the Malays, economically, that the Language Act of 1967 had been too favourable to the non-Malays, and that the Tunku's style of government was too "feudal", emphasizing loyalty rather than ability or achievement. Another prominent member of this group was Encik (later, Datuk) Musa Hitam, newly-appointed Assistant Minister to Tun Razak. The group worked closely with others, such as Tan Sri Jaafar Albar and Tan Sri Syed Nasir, who had established the reputation of being "ultras" in the disputes with the PAP Singapore leaders, and who were also anti-Tunku, but whose approach was less intellectual.[36] The Mahathir letter (17 June) arose out of a controversy in which Dr Mahathir voiced his objections to the Tunku about MCA continuation in the Cabinet.[37] The letter, however, covered a wider range of issues. It alleged "softness" towards the Chinese, which, he alleged, had contributed towards the May riots. It also referred to the Malays' loss of respect for the Tunku, and repeated the view that if the MCA were not excluded from the Cabinet there would be a bigger riot.[38] A formal, acrimonious correspondence between the two continued. In the meantime the original Mahathir letter had been "leaked", copied and widely distributed. The Tunku was determined that Dr Mahathir should leave the UMNO Supreme Council, and on 12 July he was expelled.[39] The letter and five documents written by others (including one by Raja Makharuddin Dazin, *Message to Malays*) were banned. On 28 July Musa Hitam was dismissed as Assistant Minister; the Tunku did not elaborate on the reasons, beyond citing "doubtful loyalty".

Once the Mahathir letter had been publicized, it constituted an open attack on the leader, the Tunku. Such attacks were hardly ever made, and it was almost inconceivable that they would succeed, at least immediately. UMNO supported the Tunku, and Dr Mahathir had to go. There was a large majority in the UMNO Supreme Council in favour of Dr Mahathir's expulsion. Nevertheless, there was wide

[36] See pp. 173-4.

[37] Goh Cheng Teik, op. cit., p. 30.

[38] Von Vorys, op. cit., pp. 372-4. The Tunku's reactions to the letter are given in *May 13, Before and After,* op. cit., ch. XV.

[39] Shortly afterwards he was expelled from UMNO.

support for his views among Malays, especially the University students, who demonstrated against the Tunku in July.[40] Some Malay discontent was defused by a change in education policy—on the language to be used in English-medium schools. Currently some subjects were taught in Malay in Standards One, Two and Three. It was announced that, beginning in 1970, in Standard One all subjects would be taught in Malay except for instruction in the English, Chinese, and Tamil languages. The next year conversion to Malay would apply to Standard Two, and so on, a year at a time, up to Form Six, which would be affected by 1982.[41] The announcement was made by the Minister of Education, Datuk Patinggi Haji Abdul Rahman Yakub, apparently on his own initiative. It was jubilantly welcomed by the Malays, especially by teachers and students. Indeed, he had to defend his decision to move slowly, year by year, when he explained the policy to the National Association of Muslim Students, by saying that this was necessary in order to avoid communal tensions.[42] The new policy procured great popularity for him, so much so that, when he left the Education Ministry a year later to become Chief Minister of Sarawak, University students were truly sorry to see him go. His dramatic announcement, made to newsmen after the wife of the Indonesian Ambassador had opened an Indonesian school in Kuala Lumpur, also had the incidental effect of helping to legitimize the regime in the eyes of "pro-Malay" Malays.

Another matter in which Malay interests were asserted was citizenship. After 13 May there was an increased emphasis on the registration of non-citizens and a tightening up on the issue of work permits. Later, there was a scrutiny of citizenship certificates issued under Article 30 of the Constitution, which gave the Federal Government power to certify that a person was a citizen where doubt existed. These measures expressed toughness towards those who had violated the law. Also, action taken against such people, who were non-Malay, opened up possibilities of jobs for genuine citizens, whether Malay or non-Malay.[43]

[40] See, e.g., *Why Tunku Abdul Rahman Should Resign* (Barisan Bertindak Pelajar² (Malaysian Students Action Front), August 1969 (mimeo.)). Specifically, the Tunku's resignation was demanded because of dissatisfaction with his policies on language, education, and improving the economic position of the Malays.

[41] *Straits Times* (Malaysia), 11 July 1969.

[42] Ibid., 30 July 1969.

[43] *Far Eastern Economic Review,* October, November and December 1969; *Straits Times* (Malaysia), 4, 5 and 6 November 1969, 19 December 1972.

Student agitation at the University of Malaya and the MARA Institute of Technology (ITM) continued during August and early September with the Tunku as chief target. In September the NOC announced that any procession, meeting, or utterance intended to get the Tunku to abdicate his premiership was prohibited as prejudicial to public order.[44] The situation was now relatively stable, politically. Non-Malays were on the defensive, and their expectations had been lowered accordingly. Militant Malays for the most part accepted a regime in which a largely-Malay NOC had prominent authority, and in which policy changes seemed to aim at meeting Malay demands. The Tunku remained as a multi-racial symbol, but, increasingly, important policy decisions, such as the pace of return towards parliamentary democracy,[45] and the re-orientation of foreign policy,[46] bore the imprint of Tun Razak.

It was in this kind of political atmosphere that the longer-term plans of the NOC, extending beyond the immediate attainment of law and order, took shape. Institutionally, the most important of these were the creation of the Department of National Unity (DNU) and the National Consultative Council (NCC).[47] Another new institution created was the National Goodwill Council, under which were thirteen State Councils and numerous local committees all over Malaysia. The National Goodwill Council consisted of fifty-three members nominated by the Tunku, its chairman. It included the chairmen of the State Councils, who were the Mentris Besar or Chief Ministers, and representatives of: the Press; judges; the Chinese, Malay and Indian communities; academics; chambers of commerce; religious groups; the civil service; political parties, including opposition parties; "general"; women.[48] However, the Goodwill machinery was not in the same category as the DNU or the NCC. It originated not so much from NOC strategy, as from spontaneous movements to restore some kind of friendly inter-communal relations after the riots. Substantially, it represented an attempted institutionalization of the Tunku's efforts to restore goodwill through touring the country.

[44] Ibid., 3 September 1969.

[45] Ibid., 17 and 18 June 1970.

[46] See p. 304.

[47] Professor Syed Hussein Alatas suggested an NCC-type body as early as 5 July 1969 ("The Rukunegara and the Return to Democracy in Malaysia", *Pacific Community*, Vol. 2, No. 4 (1971), p. 803).

[48] *Malaysian Digest*, 28 February 1970, p. 8.

New Institutions: The National Consultative Council

Of the various organizations set up after 13 May the National Consultative Council (NCC) was by far the most interesting. Its purpose was stated in general terms as "establishing positive and practical guidelines for inter-racial cooperation and social integration for the growth of a Malaysian national identity".[49] The Tunku, addressing its first session in January 1970, was more specific. He explained that the NCC was not a substitute for Parliament. Its function was, by frank and sincere discussion, to produce views and ideas which would help to restore goodwill and make it easier and faster to return to parliamentary democracy.[50] However, there were other factors to consider which made the NCC's functions a little more complex and harder to evaluate.

The NCC was a widely-representative body, and its discussions were frank and open. It included representatives of: Ministers (from the NOC); State Governments; political parties; Sabah; Sarawak; religious groups; professional bodies; the public services, trade unions and employers' associations; the Press; teachers; and minority groups.[51] Except for the DAP, all the major political parties had representatives nominated to the NCC,[52] some under headings other than the obvious "political parties" heading, for example, under the "state government representatives" or "Sarawak" categories. The Government tried to have the opposition parties included. However, it failed to meet the Democratic Action Party's condition for being represented. The DAP rejected the idea that the Government should decide who would represent the party on the NCC, and insisted that its detained secretary-general, Encik Lim Kit Siang, should be a member. When this request was refused it declined representation on the NCC. The representativeness of the NCC (except for the DAP) was accompanied by confidentiality. At the first meeting Tun Razak said that it was only by a frank expression of views that the "difficult and complex problems could be solved. The meetings would therefore be

[49] Ibid., 14 January 1970, p. 1.

[50] Ibid., 31 January 1970, p. 1.

[51] Ibid., 14 January 1970. Women's representatives were added soon after it was set up.

[52] But the Partai Rakyat withdrew its representative (*Straits Times* (Singapore), 24 January 1970). The defunct Labour Party was not invited.

held in secret so that whatever views we express will not filter out of this council and influence the sentiments and emotions of our people outside."[53] In contrast to the previous situation in Parliament, the NCC had no gallery, no Press and no public record (except official summaries of its proceedings). Members were therefore more relaxed and uninhibited.[54] The Government's wish was that the NCC would arrive at consensus, and it worked to achieve this through long discussions. One opposition member warned against the dangers. The Government should not use the NCC as a tool for publicly supporting its policies. In particular, the NCC should not be allowed to issue public pronouncements without also publicizing the dissent of members who disagreed with the majority.[55]

The NCC, working through committees, considered several topics, including the New Economic Policy, a national ideology (the Rukunegara, discussed later in this chapter), and certain constitutional changes, such as entrenching provisions on the National Language, the special position of the Malays and other natives, and citizenship. It is true that, especially after these activities got under way, the assumption was that they constituted preliminary steps towards the resumption of parliamentary government, as the Tunku had indicated at the inauguration of the NCC. When the NCC was set up, other possibilities which might have served as a long-term substitute for Parliament, such as delegates chosen by a two-tier system, or an appointed legislature, had been rejected. However, some qualifications should be noted. In the days immediately after 13 May, and maybe even after the NCC had been set up, there were some who were opposed to a quick return to parliamentary democracy. Also, if, unfortunately, another security crisis had arisen, the resumption of meetings of Parliament might have been delayed, and the existence of the NCC correspondingly extended. Finally, it was by no means certain that, if Parliament was restored, the NCC would necessarily disappear.[56] If the NOC could co-exist with the Cabinet, why should the NCC not co-exist with Parliament? As late as March 1970 Tun Razak thought it might be a good idea that the NCC should continue

[53] *Straits Times* (Malaysia), 28 January 1970.

[54] Tan Sri Ghazali Shafie, *Democracy: the Realities Malaysians Must Face* (Kuala Lumpur, 1971) (speech at the Dewan Negara, 5 March 1971).

[55] Syed Hussein Alatas, *Straits Times* (Malaysia), 29 January 1970.

[56] It did in fact survive in an attenuated form (p. 99).

after Parliament resumed its meetings "to deliberate coolly and in closed session, matters of national importance such as racial issues and national unity".[57]

The Department of National Unity: The Rukunegara

The Department of National Unity (DNU) was intended to help the Government in "galvanizing the country and guiding it towards national unity".[58] It was headed by Tan Sri Ghazali Shafie, Permanent Secretary, Ministry of Foreign Affairs and a member of the NOC, soon to become a Minister, who rapidly acquired the deserved reputation of being the Government's "think tank". Originally the DNU had two main divisions: a Research Division, which made use of data on race relations collected from various sources, and an Operational Division. The DNU was assisted by a Research Advisory Group, drawn from government departments, the University and the professions. The DNU was intended to take the long-term view—to think in "generational terms", to use a phrase of Tan Sri Ghazali's. More immediately, it was intended to provide standards and measures in order to ensure that all policies and actions of the Government were consonant with the national ideology and so conducive towards national unity. Social and economic policy, including the financial estimates for 1971, would be looked at, not just in terms of monetary considerations, but in the light of how they would affect relations between races and the New Economic Policy.[59]

One of the duties of the DNU was to draft a national ideology, which was later debated in the NCC. Some of the concepts involved were a little intellectually rarified for most of the NCC members, but with some amendments a draft which was approved by the NOC was adopted in mid-August 1970. The King issued a proclamation on it on 31 August. It was not intended to be included in the Constitution, but was to "guide Malaysians of all races in their everyday affairs in a conscious effort to bring about a single united and strong Malaysian nation".[60] Officially, the national ideology is referred to as the

[57] *Straits Times* (Malaysia), 13 March 1970. If it had continued to exist, it would in fact have enjoyed greater freedom of debate than the revived Parliament.

[58] Tan Sri Ghazali Shafie, *Straits Times* (Malaysia), 16 July 1969.

[59] See ch. 10.

[60] *Malaysian Digest,* 4 September 1970, p. 3.

Rukunegara.[61]

According to an official explanation of the Rukunegara,[62] in view of the various divisions in Malaysian society, including the racial divisions exploited on 13 May, there was a need for the country to rededicate itself towards certain goals or ends. In doing so, it was to be guided by certain principles. The ends were stated in the following manner: that Malaysia was dedicated: to achieving a greater unity of all her peoples; to maintaining a democratic way of life; to creating a just society in which the wealth of the nation should be equally shared; to ensuring a liberal approach to her rich and diverse cultural traditions; to building a progressive society which shall be oriented to modern science and technology. Efforts to attain these ends were to be guided by the following principles: Belief in God; Loyalty to King and Country; Upholding the Constitution; Rule of Law; Good Behaviour and Morality.[63]

If one accepts Paul Sigmund's dictionary definition of an ideology as "a systematic scheme or coordinated body of ideas about human life or culture",[64] obviously the Rukunegara, by comparison, is phrased in rather general terms. It is not an ideology in the sense of being a fully worked-out philosophy.[65] Encik Lim Kit Siang, speaking for the DAP, the only major party not represented in the NCC, on one occasion saw the Rukunegara as laudable but obvious. "Very few people," he said, "will disagree with these principles just as very few people will disagree with the Ten Commandments."[66] On another occasion he recommended that it should include three more principles: "That Malaysia should be a genuine multi-racial nation. That all

[61] A dictionary definition is "*Rukun* Ar. fundamental doctrine; commandment; principle, basic rule; essential part of a religion. *Lima r. Islam,* the Five Pillars of Islam (confession of faith, prayer, fasting, charity, the Haj)". In this context "negara" is best translated as "national".

[62] *Malaysian Digest,* 4 September 1970, pp. 3 and 7. See the important speech of Tan Sri Ghazali Shafie, *Straits Times* (Malaysia), 16 July 1969, and R.S. Milne, "National Ideology and Nation-Building in Malaysia", *Asian Survey,* Vol. X, No. 7 (1970).

[63] *Malaysian Digest,* 4 September 1970, p. 3.

[64] Paul E. Sigmund, *The Ideologies of the Developing Nations* (New York, 1963), p. 3.

[65] Syed Hussein Alatas, "The Rukunegara and the Return to Democracy in Malaysia", op. cit., p. 807.

[66] *The Rocket,* Vol. 5, No. 1 (1970).

Malaysians should dedicate themselves to work the parliamentary democratic process and renounce force and violence as a means of political struggle. That it is the duty of every Malaysian to contribute to the abolition of the economic imbalance between the haves and the have-nots and between the urban and rural areas.''[67] The Alliance, in its turn, would probably find little to quarrel with in the three additions suggested by the DAP. The Rukunegara is indeed phrased rather generally. It is a long-term task to translate them and instil them in the population so as to further national unity. In one respect, however, the Rukunegara is far from vague. The third principle, Upholding the Constitution, includes upholding its provisions concerning the National Language, the special position of the Malays and other natives, the legitimate interests of the other communities, and so on.[68] It complemented the legal restrictions on ''questioning'' the Constitution which were approved by Parliament when it met. At the same time, some of these provisions which were not to be challenged benefited the non-Malays. Also, the fifth principle of the Rukunegara, Good Behaviour and Morality, was interpreted in a sense favourable to the non-Malays, as meaning that no citizen ''should question the loyalty of another citizen on the ground that he belongs to a particular community''.[69]

The Restoration of Parliament: The Constitution (Amendment) Act

The suspension of parliamentary rule after 13 May led to speculation about other possibilities.[70] Most of these were based on NOC rule, although sometimes military rule was mentioned. In the end, there was a return to parliamentary rule, but with the tougher, more realistic approach indicated earlier,[71] backed by changes in the Constitution that limited questioning it in certain areas, and accompanied by the New Economic Policy that took account of economic ''imbalances''

[67] *Straits Times* (Malaysia), 19 October 1970.

[68] *Malaysian Digest,* 4 September 1970, pp. 3 and 7.

[69] Ibid.

[70] Wang Gungwu, ''Political Change in Malaysia'', *Pacific Community,* Vol. 4, No. 4 (1970), pp. 688-90; Gagliano, op. cit., pp. 33-9; *The May 13 Tragedy,* op. cit., pp. 80-1.

[71] Cf. the second of five possibilities mentioned by Wang Gungwu: a return to pre-1969 conditions but with a change of leaders, less complacency and less corruption.

which had worked against the Malays. The timing of the restoration of Parliament was announced by the Tunku in a "farewell broadcast" on 30 August 1970.[72] Politics could be indulged in freely again from 31 August,[73] and Parliament would be convened again in February the next year. However, certain subjects were forbidden under the recently-issued Emergency Ordinance No. 45 of 1970 which amended the Sedition Act, making it "a seditious tendency": "(f) to question any matter, right, status, position, privilege, sovereignty or prerogative established or protected by the provisions of Part III of the Federal Constitution or Article 152, 153 or 181 of the Federal Constitution."[74]

The restoration of Parliament depended on the Government having sufficient votes to pass, by two-thirds majority, the amendments designed mainly to reduce questioning of the Constitution which had been agreed on in the NCC.[75] The Alliance could not quite manage this on its own. However, after the Sarawak elections in mid-1970 it became increasingly clear that it could count on the votes of the Sarawak United People's Party,[76] which when combined with its own votes could produce the two-thirds majority; it was also hopeful of receiving support from some other parties.

The Constitution (Amendment) Bill was constitutionally complex,

[72] Professor Syed Hussein Alatas has written ("The Problems of Coalition in Malaysia", *Current History,* Vol. 63, No. 376 (1972), pp. 271-3, 277) that the Emergency had to be continued (and presumably the resumption of parliamentary sittings postponed) until there was a change in the top UMNO leadership. The inference must be that some UMNO leaders were unwilling to go back to what would be essentially a pre-1969 situation, with the NOC abolished or weakened and the Tunku still Prime Minister. It was known that the Tunku did not regard it as proper that he should remain as Prime Minister after his nephew, the Sultan of Kedah, became King. It was very probable, but not entirely certain, that the Sultan would be elected King in 1970. He was actually elected (see pp. 245-6), and this was followed by the Tunku's broadcast which not only announced that Parliament would meet in February 1971, but also that he himself would resign immediately after the new King had taken the Oath of Office on 21 September 1970.

[73] The elections in Sarawak and Sabah, suspended in 1969, were resumed in June 1970. But political activity, apart from voting, was still not permitted.

[74] See Ahmad Ibrahim in *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. xi. Part III of the Constitution refers to citizenship. The three Articles refer respectively to: National Language; special position of the Malays and the legitimate interests of the other communities; the sovereignty of the Rulers.

[75] Tun Ismail, "What Lies Ahead for Malaysia", *Malaysian Digest,* 14 May 1970, p. 3.

[76] *Straits Times* (Malaysia), 11 December 1970.

but was designed to achieve two objects: to remove certain sensitive issues from the realm of public discussion, and to reduce certain "social imbalances" that disadvantaged the Malays and other natives in admission to universities.[77] In summary, the provisions were:

Article 10 of the Constitution, which deals with freedom of speech, was amended to give Parliament the power to pass laws prohibiting the questioning of any matter, right, status, position, privilege, sovereignty or prerogative established or protected by the provisions of Part III of the Constitution (citizenship), Article 152 (the National Language), Article 153 (special position of the Malays and the legitimate interests of the other communities), or Article 181 (the sovereignty of the Rulers). Until Parliament actually passed such a law, the provisions of the Sedition Act, as amended by Emergency Ordinance No. 45 of 1970, would apply. By it, such questioning was made a "seditious tendency": It further provided that an act, speech, words, publication or other thing shall be deemed to be seditious even if it has a tendency:

> "(i) to persuade the subjects of any Ruler or the inhabitants of any territory governed by the Government to attempt to procure by lawful means the alteration of any matter in the territory of the Ruler or governed by the such Government as by law established; or
>
> (ii) to point out, with a view to their removal, any matters producing, or having a tendency to produce feelings of ill-will and enmity between different races or classes of the population of Malaysia."

However, the act, etc. would not be deemed to be seditious if it sought:

> "(a) to show that any Ruler has been misled or mistaken in any of his measures;
>
> (b) to point out errors or defects in any Government or Constitution as by law established or in legislation or in the administration of justice with a view to the remedying of the errors or defects, if the act, speech, words, publication or other thing has not otherwise in fact a seditious tendency."

These changes in the Sedition Act widened the scope of the offence

[77] What follows here is a mere outline. For a fuller account, see *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., especially Professor Ahmad Ibrahim, "Introduction" and Tun Razak, pp. 1-7.

(sedition) and also excluded the need to prove *intention.* The Prosecution had to prove only a seditious tendency.[78] There was, however, one important concession, as indicated in (b), above. The *implementation* of these provisions, as opposed to the principle, could be publicly discussed.[79] Thus, although the principle of allocation of University places for Malays could not be publicly questioned, the implementation could be, if, for example, a disproportionate share of them were allocated to rich or well-connected Malays.

Legally, these changes in the Sedition Act were already in force. What was newly proposed in the Bill was that the changes should apply to Parliament itself, and also to State Assemblies; they were to be subject to the same restrictions on discussion that already applied outside legislatures. The Bill, by amending Articles 63 and 72 of the Constitution, removed the protection which Members of Parliament, or of the Legislative Assembly of a state, enjoyed from court proceedings for anything said by them in Parliament, or in a State Assembly. Tun Razak maintained that this was necessary; in the case of Parliament, for example, Standing Order 36, which stipulates that it shall be out of order to use words which are likely to promote feelings of ill-will or hostility between the races in the country, would not be enough to meet the situation. Use of Rule 36, he said, would place a heavy burden on the Speaker, and once such words had been used the damage would have been done and the use of the Rule would be too late.

Another provision of the Bill amended Article 152 of the Constitution (which provides that Bahasa Malaysia shall be the National Language) by defining the term "official purpose", not defined previously, as the purposes of all public authorities.

There were also alterations to Article 153, which is concerned with the special position of the Malays. One was designed to improve the provision of educational facilities for Malays at tertiary level. The proposed amendment would give the King (in practice, the Government) power to give directions to universities, colleges, etc. to reserve certain proportions of places for Malays as are deemed reasonable. The intention was to reserve places in those areas of study, such as engineering, medicine or science, where the proportion of Malays and natives of the Borneo states was disproportionately small.

[78] Tan Sri Abdul Kadir bin Yusof, "The Road Back to Parliament", op. cit., p. 3.

[79] *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 4 (Tun Razak).

Article 153 was also amended so as to make its provisions relating to Malays also applicable to natives of the Borneo states. There were corresponding amendments to Article 161A, on the position of the natives of the Borneo states.

Finally, changes were made in Article 159 which provides for the amendment of the Constitution. These were designed to prevent a recurrence of the attacks on, and misrepresentation of, some important and sensitive provisions of the Constitution, which had taken place in the 1969 election campaign. Clause 5 of Article 159 already entrenched certain articles of the Constitution,[80] providing that they could not be amended without the consent of the Conference of Rulers. The change was to include, in Article 159(5), the proposed amendment to Article 10 and any law made thereunder, Part III of the Constitution, and Articles 63, 72 and 152, as amended. Consequently, these also cannot be amended now without the consent of the Conference of Rulers. Finally, Clause 5 of Article 159 was *itself* entrenched; it also cannot be amended now without the consent of the Conference of Rulers.

The opposition to the Bill by the DAP and PPP during the debate made numerous references to the events of May 1969 and to particular points raised by the amendments. More generally, three main arguments were voiced. The statement that Parliament would be disbanded if the necessary two-thirds majority were not obtained was resented as a threat, and compared to the "sword of Damocles" hanging over the heads of MPs. It was also claimed that banning "sensitive" issues would confer future electoral advantage on the Alliance, because it would protect the MCA and the MIC from attack on some topics. Finally, the Opposition argued that to strip MPs of the privilege of free speech in discussing certain issues was incompatible with the principle of the sovereignty of Parliament. The newly-entrenched clauses could never be repealed, because it would be a criminal offence even to raise the issue by moving a motion to that effect in the House.[81]

When the vote was taken on the Constitution (Amendment) Bill after a week's debate, the Government was supported not only by the SUPP, but also by Gerakan, SNAP and PAS. Only the DAP and the

[80] Articles 38, 70, 71(1) and 153.

[81] *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., particularly Lim Kit Siang (pp. 11-14 and 19-20) and S.P. Seenivasagam (pp. 40 and 43-4).

PPP opposed it, thus the majority was 126:17.[82] Later the Bill then passed the other House, the Dewan Negara, unanimously.

After the Constitution (Amendment) Bill had been passed, about seventy NOC-approved ordinances which otherwise would have expired, had to be presented to Parliament for adoption. Another thirty-one, which were not concerned with purely emergency matters, were drafted into bill form and enacted by Parliament.[83]

New Dimensions of Politics: Events, 1971-76

Some of the main organizations created after 1969 changed their shape with the resumption of meetings of Parliament. The NOC continued a shadowy existence under the name of the "National Security Council",[84] with security functions and with the Prime Minister as chairman. The National Consultative Council and the National Goodwill Council were merged into a new body, the "National Unity Advisory Council". Its forty-eight members included educationists, journalists, businessmen, professional and religious leaders, and members of political parties. The Council was to act as adviser to the Prime Minister, and was intended to recommend measures and programmes for fostering racial harmony and to decide on studies and research to be undertaken on any areas having a direct bearing on race relations. At its inaugural meeting on 1 July 1971, the topics discussed included communist activities, economic disparities among the various races, Malaysian culture, and unemployment among youths.[85]

Although Parliament was restored and the new crisis-type organizations, such as the NOC and NCC, lost their titles and their leading roles, the shape of the political landscape was now very different from the days before May 1969. The number of subjects open for legal debate by opposition parties had been drastically curtailed. This applied mainly to non-Malay parties, particularly the DAP. What the Government described as "sensitive issues" had been ignited by PAP electoral competition in 1964, and stoked by the PAP's

[82] *Straits Times* (Malaysia), 4 March 1971.

[83] Ibid., 25 February 1971.

[84] Ibid., 20 February 1971.

[85] *Malaysian Digest,* 15 July 1971, p. 3.

successor, the DAP, in 1969.[86] This had now been stopped. There was less opportunity for "politicking", a favourite word of Tun Razak's, because there were fewer subjects that the opposition parties could legally "politick" about. Not only were the non-Malay opposition parties deprived of the chance to attack some issues, the PAS was also deprived of the need to defend some issues. Now that the Government had firmly entrenched Malay rights in the Constitution, what further protection did they need? Once the range of political issues open to debate had been narrowed, differences between openly-advocated party policies were also reduced, and the way was opened for some of the opposition parties to join the government parties in the new Barisan Nasional (National Front), described in Chapter 7.

It is not proposed to give a chronological account of what has happened since 1971. Reference will be made to events after 1971 in succeeding chapters. However, just to convey a rough perspective, a wider government coalition than the Alliance, the National Front, was formed, and it scored an impressive victory in the elections of August 1974. The effects of the world economic recession were felt in late 1974 and in 1975, but Malaysia was less hard hit than many other countries and was recovering well in 1976. In spite of the recession, the New Economic Policy, particularly those measures designed to improve the economic lot of the Malays, was vigorously pursued.[87]. The main political problems which emerged at the end of 1974 and in 1975 were student demonstrations, sternly dealt with by the Government, and a revival of communist guerilla activity, including a new aspect: terrorism in the urban areas. Finally, 1976 was marked by the untimely death of Tun Razak, by the succession of Datuk Hussein Onn to the Prime Ministership, and by the public expression of growing dissension within UMNO.

[86] *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 45 (Dato Syed Nasir bin Ismail).

[87] See ch. 10.

6
FEDERAL-STATE RELATIONS

The Constitution and Federalism

If there had been no Rulers in Malaya, and if an outcry had not followed the abortive attempt at centralization through the Malayan Union in 1946, it is questionable whether the 1957 Constitution would have been federal. The Philippines, with a larger population, with considerably more difficulties of communication, and with the model of the United States to imitate, rejected federalism when it drew up its Constitution. To be sure, Malaya contained a number of different ethnic groups and, superficially, this might be regarded as an argument for having a federal system, after the pattern of, say, Canada. But, with the exception of the northeast coast states, Kelantan and Trengganu, where over 90 per cent of the population was Malay, the races were not concentrated in separate self-contained areas in Malaya. State identity would not be reinforced by ethnic loyalty. If anything, apart from the northeast, the main division was between town (Chinese) and country (Malays), and this would be an impracticable basis for drawing state boundaries in a federation.

The solution which was adopted deferred to the existence of the Rulers and to traditions of indirect rule in that a federal form of state was chosen. But the balance of power lay heavily with the Central Government. The *Report* of the Constitutional Commission had recommended the "establishment of a strong central government with the states and settlements enjoying a measure of autonomy".[1] The Constitution which went into effect stressed the first of these requirements rather than the second.

In the first place, the minor role of the states is shown by their restricted control over amendments. Generally speaking, the Constitution may be amended by an Act of Parliament supported on both the second and third readings by the votes of not less than two-thirds of the total number of members of each House. Some amendments, mostly of a minor character, do not even need the two-thirds majority, but may be effected by the procedure for passing an or-

[1] *Report of the Federation of Malaya Constitutional Commission* (Kuala Lumpur, 1957), para. 3.

dinary parliamentary act. The ordinary process could also be used for an amendment made for or in connection with the admission of any state to the Federation or its association with the states thereof, or any modification made as to the application of the Constitution to a state previously so admitted or associated.[2] No part of the amendment process specifically gives a role, and a check, to the states as such, apart from the Borneo states. The only exception to the general rule that a particular state, apart from Sabah and Sarawak, does not have a "veto" to protect itself against unwelcome constitutional amendments, is that the physical boundaries of all the states are fixed, and may not be changed without the consent of that state, expressed in a law passed by the legislature of that state.[3] It is true that some of the members of the Senate are nominated by the states, but there has not yet been any evidence that they have acted as supporters of states' rights when constitutional amendments are considered. It was only in the Constitution of Malaysia (as opposed to that of Malaya), that, as far as the Borneo states were concerned, the state itself had to consent to amendments on certain subjects before they could be passed. The Governor of the state concerned had to concur, and he was required to act on the advice of the State Government.[4]

The Constitution does not make any explicit provision for secession. Certainly there could not be any "unilateral" secession, just because a particular state desired it. One authority believed, however, that "new" states admitted to the Federation—that is, Singapore, the Borneo states, and any others subsequently admitted—could be dissociated from the Federation by an act repealing, by a two-thirds majority, the constitutional amendments by which they were admitted.[5] On 9 August 1965, Singapore's separation from Malaysia was effected by a constitutional amendment which was passed in each house without any opposing vote.

The Constitution does not divide the power to legislate between the Federal Government and the states in the same way as does the United States Constitution, which lists a number of federal powers with the residual powers remaining in the states. The Constitution of Malaya, and Malaysia, follows the pattern of the Indian Constitution in having

[2] Article 159(4)bb. But note the qualification in Article 161E.

[3] Article 2(b).

[4] Articles 161E and H.

[5] H.E. Groves, *The Constitution of Malaysia* (Singapore, 1964), p. 152.

three lists: federal, state, and concurrent.[6] Any residual powers are given to the states,[7] but the three lists are so comprehensive that this provision is of no practical consequence.

A glance at the lists is sufficient to show that the Federal Government has by far more substantial powers than the states. The main powers retained by the states are over the development of natural resources, namely land[8] (including mining), agriculture, and forestry, but it will be seen later that the Federal Government is also concerned with land. Even the additional powers given the Borneo states are not so important, as they concern mainly native law and custom and native courts.[9] (However, when Singapore was a part of Malaysia, 1963-65, its powers over education, labour, health, and social security placed it in a position of "semi-autonomy" not approached by the other states.) Also, the Federal Government enjoys "preference" in the concurrent list. If there is any conflict between a federal law and a state law on an item in the concurrent list, the federal law overrides the state law, even if it was passed after the state law. There are a number of other clauses in the Constitution permitting the Federal Parliament to legislate on matters which appear in the list of state functions,[10] for instance when concluding treaties with other countries, for promoting the uniformity of state laws, and so on. The most important of these provisions is probably that in Article 150. After a declaration of Emergency, the Federal Parliament may make laws with respect to any matter on the state list, except matters of Muslim law or the custom of the Malays, or with respect to any matter of native law or custom in a Borneo state.

The Federal Government, as opposed to the Federal Parliament, has a number of controls over the states. Among others, the agricultural and forestry officers of the states, except the Borneo states, are required to accept professional advice from the Federal Government in respect of their duties.[11] An important factor in en-

[6] Ninth Schedule.

[7] Article 77.

[8] See Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), pp. 140-9.

[9] Ibid., pp. 134-5.

[10] Listed in Groves, op. cit., pp. 135-7.

[11] Articles 94 and 95E(4). See also *Legislative Council Debates* (Second Session), October 1956 to August 1957, cols. 2923-4 (Encik Abdul Aziz bin Ishak).

suring *indirect* control and coordination comes from the fact that some of the officials working for the states are actually employees of the Federal Government, in the last resort dependent on it for promotion.[12] The Federal Government may also undertake to conduct inquiries and surveys in the states.[13] It controls borrowing by the states.[14] Also, while a Proclamation of Emergency is in force, the executive authority of the Federation extends to any matter within the legislative authority of a state and to the giving of directions to the Government of a state or to any of its officers (Article 150(4)).

Cooperation between the Federal Government and the states is ensured in a number of ways. In some respects the onus for cooperation is so placed on the states as almost to approximate to federal "control". Thus, the executive authority of a state is to be exercised so as to ensure compliance with any federal law applying to that state and so as not to impede or prejudice the exercise of the executive authority of the Federation.[15] There are also two policy-making bodies, on which both the Federal Government and the states are represented, whose policy decisions are binding on both Federal and State Governments. Their policy decisions are not, however, binding on the Borneo states, whose representatives do not have the right to vote. These bodies are the National Land Council and the National Council for Local Government.[16] A third organization, the National Finance Council, although constituted along similar lines, is not empowered to make policies which are binding on the Federal Government or the states.[17] A number of other provisions exist for ensuring harmony between the Federal and State Governments.[18]

The subject which has proved most intractable to attempts at

[12] See p. 278.

[13] Article 93.

[14] Article 111(2). Early in 1975 it was announced that the Federal Government was considering relaxing controls on state borrowing to help them raise funds for development (*New Straits Times,* 9 February 1975). The constitutional amendments introduced in July 1976 eased restrictions on the sources from which states could borrow (ibid., 8 July 1976).

[15] Article 81.

[16] Articles 91, 95A(5) and 95E.

[17] Article 108.

[18] Groves, op. cit., pp. 140-2. On greater federal control of forestry reserves through the National Forestry Council, see *New Straits Times,* 24 August 1976.

federal-state cooperation has been land. Despite the efforts of the National Land Council,[19] procedures have been painfully slow.[20] A particular problem has been the delays in the response of State Governments to federal requests for land.[21] In September 1973 a new system of land administration was announced, and a seminar on land administration, held later in 1973, produced a diagnosis of the situation and recommendations for structural reforms.[22] Changes in the policy-making machinery were announced early in 1976.[23] The existing National Land Development Coordination Committee was to be reorganized and reduced in size and was to be empowered to formulate land development policy. It was to be assisted by a new Land Development Advisory Committee. The most conspicuous example of non-cooperation on land, in Kelantan, concerned the Federal Land Development Authority, and is discussed below.

When viewed as a whole the powers of the Federal Government over the eleven "original" states are truly formidable. Yet the federal Prime Minister on one occasion lamented that the "ultimate weapon" was missing. In September 1961, he deplored the fact that the Trengganu State Government, which was inactive and did not call meetings of the State Assembly and the state Executive Council as often as it should, could not be adequately disciplined by the Federal Government, which had no power to suspend the State Government and take over its functions, as, he claimed, the Federal Government could do in India.[24]

The financial arrangements of the Federation underline the centralizing tendencies of the Constitution. Just as the powers of the states are small, compared with those of the Federal Government, so are the states' budgets small when compared with the federal budget. Total current state expenditure is only about a fifth of current federal expenditure. Nor are all the items of expenditure from the state

[19] On early activities of the Council, see Gayl D. Ness, *Bureaucracy and Rural Development in Malaysia* (Berkeley and Los Angeles, 1967), pp. 179-83.

[20] In 1973 Datuk Hussein Onn said that the average time taken to approve an application for land was 564 days (*Straits Times* (Malaysia), 19 September 1973).

[21] Milton J. Esman, *Administration and Development in Malaysia: Institution Building and Reform in a Plural Society* (Ithaca, 1972), p. 92.

[22] *Straits Times* (Malaysia), 9 September and 7 November 1973.

[23] *New Straits Times,* 2 January 1976.

[24] *Straits Times,* 20 September 1961.

budgets, small as they are, paid for out of revenues raised by the states themselves. The state sources are numerous, ranging from revenue from mines and forests and from various licences to treasure trove.[25] But without grants from the Federal Government they would be insufficient. On the average, about a quarter of current revenue comes from federal grants. For poorer states, such as Perlis or Trengganu, the figure is as high as half. Federal grants consist mainly of capitation grants based on state population, road grants calculated on road mileage, and, mainly of benefit to Perak and Selangor, a share of the export duty on tin produced in a state.[26] On development expenditure, states also rely heavily on federal loans and reimbursements.

During times of inflation states are hit by higher costs. Sometimes their commitments rise as a result of decisions which are beyond their control. For instance, some of the increases in public service salaries recommended by the Harun Commission[27] applied to employees of the states, yet the states had no representatives on the Commission and were not consulted by it. In some cases financial inefficiency, particularly in budget preparation and tax collection, added to the problems of the states.[28]

Some states will benefit from the agreements with PETRONAS, the federal statutory body concerned with oil, which give them a fixed percentage of oil and gas proceeds.[29] However, some states, notably those in the north, lack natural resources, and have been slow to industrialize, partly because of their geographical position. Soon after he became Prime Minister, Datuk Hussein Onn, in his capacity as Finance Minister, said the Government would devise a formula to give aid to these states.[30] A little earlier, the Federal Government said that such states would also be helped by having several federal agricultural

[25] Article 110(1) and Tenth Schedule, Part III.

[26] Articles 109 and 110 and Tenth Schedule, Parts I and II.

[27] *Royal Commission on the Remunerations and Conditions of Service in Local Authorities and Statutory Bodies* (Kuala Lumpur, 1973).

[28] *New Straits Times,* 26 November 1975 (Editorial). Sabah had $48.7 million in taxes uncollected for 1970-75.

[29] The Constitution gives the states the right to revenue from mining operations within their territories (Ninth Schedule, LII-2(c) and Tenth Schedule, Part III-3). PETRONAS' need to conclude agreements with the states (*Malaysian Business,* December 1974, pp. 12 and 18-19) arose from this.

[30] *New Straits Times,* 8 February 1976. This was confirmed by Tengku Razaleigh after he became Finance Minister (ibid., 13 and 30 March 1976).

officers transferred to them. Both these steps were in line with the Third Malaysia Plan's objective of concentrating on the poorer states.[31]

The provisions for the Borneo states were complex. They were given extra scope in levying taxes in the form of sales taxes, some import and excise and export duties, and the revenue from fees and duties on (non-federal) ports and harbours. They each received capitation and road grants and an individual grant calculated from a formula. After five years the grants could be renegotiated, and in fact the Sarawak ones were. They could also be abolished after ten years. This is one of the topics considered by the ministerial intergovernmental committee on the fuller integration of Sabah and Sarawak into Malaysia, set up in 1973 to review the special rights granted to the two states when Malaysia was formed.[32]

Federal-State Relations in Practice

The best guarantee of happy federal-state relations does not lie in any constitutional provisions but rather in the harmonizing influence of party.[33] One instance of informal coordination via the party machinery is that after elections are held, the person appointed to head the executive in each Alliance-controlled state, the Mentri Besar or Chief Minister, has to be approved by the Federation Prime Minister in his capacity as head of the Alliance[34] (now National Front). In practice, the obvious candidate (notably the previous holder of the post), if not acceptable, is not rejected at the last minute. The way is prepared in advance, usually by transferring the incumbent from a state seat to a parliamentary seat when election nominations are decided.[35] Removing an incumbent at times other than elections is

[31] *New Straits Times,* 21 January 1976; p. 343.

[32] Article 112 and Tenth Schedule; *New Straits Times,* 5 December 1975; R.S. Milne and K.J. Ratnam, *Malaysia: New States in a New Nation* (London, 1974), pp. 22 and 413, fn. 18. Possible revenues to the states from oil outside the three-mile limit were precluded by federal government extension of previous acts to the states in 1969 (ibid., p. 421, fn. 154; Michael B. Leigh, *The Rising Moon: Political Change in Sarawak* (Sydney, 1974), pp. 132-3).

[33] The converse proposition is illustrated by the events leading to Singapore's exit from Malaysia in 1965.

[34] *Straits Times,* 6 May 1964.

[35] As in Negri Sembilan, 1969 and in Pahang and Perak, 1974.

more difficult, and is rare except in cases of corruption.[36] In the first few years after Malaysia was formed, the Chief Minister in each of the Borneo states was removed, in Sarawak with some difficulty.[37] Where an opposition party is in power, control is not possible through the medium of party. One result of this has been to make the Alliance (and National Front) Federal Government especially keen to control *all* the states. Apart from the desire to win as many parliamentary seats as possible, the states represent semi-autonomous, though constricted, centres of power, and can prevent the Federal Government from having its plans for development implemented in the way it desires. Consequently, at elections the Alliance (National Front) has concentrated on trying to win states already held by the Opposition, or likely to be won by it. Sometimes the emphasis has been on promises, as when the Alliance produced a special $548 million manifesto for Kelantan in 1969. Sometimes the line is tougher. In 1969 Tun Razak said that if a non-Alliance government won, Penang would suffer hardship. "This is politics. We must help those people who support us. We reward support with benevolence."[38] He issued a similar warning to Sarawak electors in 1974: a SNAP Government led by Datuk Ningkan could expect no cooperation from the Federal Government.[39] In 1974 also, Datuk Hussein Onn warned that the Federal Government would not support a State Government in Trengganu formed by the Partai Sosialis Rakyat Malaysia. Federal resources for developments in the form of money and personnel would not be forthcoming if the PSRM won.[40]

Kelantan provides the best example of a state controlled for a long period by a party other than the one in power at federal level. Initially Trengganu, also won by the PAS in 1959, was in a similar position until defections from the party led to the Alliance taking over the State Government in 1961. In November 1960 the Assistant Minister for Rural Development said that the Kelantan and Trengganu Governments could not be given all the money they had asked for. They must first comply with the Federal Government's policy on rural develop-

[36] See Karl von Vorys, *Democracy Without Consensus: Communalism and Political Stability in Malaysia* (Princeton, 1975), pp. 391-2.

[37] See pp. 261-2.

[38] *Straits Times,* 17 April 1969.

[39] *Straits Times* (Singapore), 22 August 1974.

[40] *Straits Times* (Malaysia), 14 August 1974.

ment, particularly on land.[41]

During the decade, 1959-69, disputes between the Kelantan Government and the Federal Government took various forms. Kelantan, for example, expressed its opposition to Malaysia by deciding that 16 September 1963 and the following day would *not,* as in other states, be public holidays; even after that, for some time the state flew a flag with an eleven-pointed (Malaya) rather than a fourteen-pointed (Malaysia) star. Predominantly, however, the disputes concerned land policy in particular and finance for development in general. Most of the responsibility for opening up new land for settlement was given to FLDA (the Federal Land Development Authority), later renamed FELDA. The main inducement for Kelantan, or any other state, to allow the FLDA to operate in its territory was that its operations benefited the inhabitants of the state[42] and were paid for out of federal funds. However the PAS Government of Kelantan refused to accept it,[43] and proceeded with its own land scheme, which, because the Federal Government refused to contribute, had to be paid out of its own meagre funds. To some degree the PAS State Government's objection concerned FLDA methods. The FLDA procedure was elaborate: land was cleared for the settlers and they were allotted a substantial holding which would give them a comfortable livelihood, although they had to pay off the debt incurred over a number of years. The Kelantan scheme was less elaborate, cost less money, attempted to settle more people on a given area, and entailed less debt incurred on the part of the settler.[44] Behind these differences of opinion on constitutional propriety and methods lay differences of principle and considerations of party advantage.

[41] *Straits Times,* 17 November 1960. See also Gayl D. Ness, op. cit., pp. 216-18.

[42] But in some states with a large supply of undeveloped land, such as Pahang, land is cleared for the benefit of settlers from more crowded states.

[43] Statement by the Mentri Besar of Kelantan in the State Assembly, *Straits Times,* 1 January 1962.

[44] D.E.M. Fiennes, "The Malayan Federal Land Development Authority", *Journal of Local Administration Overseas,* Vol. I, No. 3 (1962), pp. 156-63; Peter Polomka, "$130 Million Plan That Just Gathers Dust", *Straits Times,* 7 August 1963. The FLDA financial provisions were changed later so that settlers originally worked for wages and did not get into debt (ibid., 29 August 1973). By that time Datuk Asri had become federal Minister of Lands and Mines, after being the (PAS) Mentri Besar of Kelantan.

For an economic assessment, see Dr Syed Hussein Wafa, *Land Development Strategies in Malaysia: an Empirical Study* (Kuala Lumpur, 1974).

One reason for the state's refusal of FLDA help, it was said, was that the FLDA did not discriminate between the races in choosing settlers, while the PAS Government wanted to be free to select only Malays. Also, it was alleged that the FLDA plan, by which large areas of land were cleared by contractors, was disliked by the PAS because most of the contractors were Chinese. Politically, control of the selection of settlers was important, because each party wanted to reward its own supporters.

Another much-discussed object of dispute between the Kelantan Government and the Federal Government was the bridge intended to link Pasir Mas and Tumpat with Kota Bharu. The State Government asked for a federal loan but would not agree to submit the plans for the construction of the bridge to the federal Public Works Department. The loan was therefore refused, and the State Government proceeded to construct the bridge, at a cost of about $5 million, attempting to finance it entirely out of state funds.[45]

After the elections of 1964, there seemed to be a change in the atmosphere, and the new Mentri Besar, Datuk Asri, said that the Kelantan Government was ready to cooperate with the Federal Government in all matters.[46] However, relations deteriorated again, with the Federal Government claiming lack of state cooperation. By the end of 1967 things were worse than ever. The State Government had no funds with which to pay its officers. The Federal Government made it a loan of $1.5 million for this purpose, imposing conditions;[47] but even the conditions became a subject for dispute. The division of powers between Federal and State Governments provided instruments which could be used in this type of quarrel. Bureaucratic procedures might be slowed down to delay payment of grants to a State Government, or to delay applications for land (a state subject), to be used for rural projects by the Federal Government.

It was only after May 1969 that relations improved once more. This accompanied dialogue between the two main Malay parties, UMNO and PAS, which eventually led to a coalition and to PAS's entry into the National Front.[48] In March 1971 Tun Razak announced plans to

[45] *Straits Times,* 1 March and 1 June 1962. In his 1963 report on Kelantan (ibid., 11 December 1964) the Auditor-General wrote that the manner in which the project was undertaken was not likely to safeguard public funds.

[46] Ibid., 20 July 1964.

[47] Ibid., 22 December 1967.

[48] See pp. 185-91.

make Kelantan a very prosperous state and said that Datuk Asri had assured him of the state's cooperation in development planning;[49] by July 1972 a joint federal-state committee had been set up to make plans for land schemes.[50] By 1973, the idea of development was firmly linked to the coalition concept, and in November $6 million was allocated for "coalition projects" in Kelantan, Trengganu and Kedah.[51]

In the early 1970s, even with the coalition, Kelantan's political problems were not over. But party divisions no longer coincided with constitutional federal-state divisions in the way they had previously, which had made these divisions particularly intractable.

Sabah and Sarawak Relations with the Federal Government

Some of the topics about which the people of the Borneo territories felt most strongly during the Malaysia negotiations have now become less prominent. Immigration from Peninsular Malaysia, for example, has not been a source of friction. From 1963 to 1974 only about 10,000 persons were brought to Sabah by the Malaysian Migration Fund Board on two-year contracts, and many of these returned when their contracts expired. On the other hand, there has been continued immigration from Indonesia into Sabah and the fighting in Mindanao led to a movement of about 17,000 refugees from the Philippines to Sabah in late 1972 and early 1973.[52] The problem in both Borneo states has really been the shortage of *skilled* labour, rather than of labour in general.

Initially, there was some disappointment that quick economic benefits did not follow the creation of Malaysia. To create Malaysia quickly it was necessary to "oversell" some of the benefits. Economic advantages certainly did follow, but more slowly than expected.[53]

[49] *Straits Times* (Malaysia), 30 March 1971.

[50] Ibid., 28 July 1972. For a statement of policy by Asri, see ibid., 11 and 12 January 1973.

[51] Ibid., 7 March and 12 November 1973.

[52] *Straits Times* (Malaysia), 12 July 1974; *Malaysian Business,* October 1973, p. 11. A figure of 60,000 for all refugees was given by Tun Fuad Stephens (*New Straits Times,* 16 April 1976).

[53] Milne and Ratnam, op. cit., pp. 49-55; James P. Ongkili, *Modernization in East Malaysia, 1960-1970* (Kuala Lumpur, 1972), p. 87.

Confusion also resulted from the use of the phrase, "Independence through Malaysia". Some persons in the territories may have overestimated the degree of independence which states could have in a federation, even with the formal safeguards which Sarawak and Sabah had obtained. One expression, unimportant in itself, of the continued belief in "Independence in Federation" occurred at a meeting of the Sabah Legislative Assembly in November 1964. It unanimously supported a motion rejecting Philippine claims to the sovereignty of Sabah, which included a reference to "the people of Sabah, in whom alone that sovereignty rests . . ."[54]

An early specific point of federal-state friction which occurred over the appointment of the Sarawak Head of State, the Governor, became public just at the time Malaysia was being formed. The Alliance Party in Sarawak, including the Chief Minister, Datuk Stephen Kalong Ningkan, wished Temenggong (later Tan Sri) Jugah anak Barieng, a Dayak and head of one of the Dayak parties in the Sarawak Alliance, to be Head of State. But the Federation Prime Minister claimed that it had been previously agreed that, if the Chief Minister was a Dayak (which Ningkan was), then the Head of State must be a Malay or a Melanau. The dispute may have occurred partly because an alternative choice for Chief Minister was a Melanau, and, if he had in fact been chosen, from the point of view of "racial balance" Temenggong Jugah would have been acceptable as Head of State. To the Federal Government, an additional complication existed in that perhaps the image of the Temenggong was not sufficiently modern for him to be Head of State. A compromise was arrived at by which a Malay, Datuk Abang Haji Openg, was made Head of State, while the Temenggong was given a post in the Federal Cabinet, with the title "Minister for Sarawak Affairs".

Two other contentious questions, the "expatriate" issue and the use of the Malay language, particularly in education, were not examples of monolithic state opposition to the Federal Government. On each question local politicians were divided in both states. Initially, the Chief Minister in each state belonged to the group which opposed the Federal Government. This opposition and the resultant friction with the Federal Government resulted in a change of government in each state, in which a Chief Minister who was more

[54] *First Legislative Assembly, State of Sabah, First Session, Order Paper,* Monday, 2 November 1964.

acceptable to the Central Government took over.[55]

The "expatriate question" properly belongs to chapter 8. But it also had political implications which profoundly affected federal-state relations.[56] The question in Peninsular Malaysia took the relatively straightforward form of how quickly British officers should be replaced by local officers. But in Borneo the supply of qualified local officers available to replace expatriates was very small. Unless expatriates left very slowly, some of them would be replaced by Malayans, not local men. In Sabah the party consisting principally of non-Muslim natives was in favour of slow replacement and a higher proportion of natives taking over; the mainly Muslim native party and the Federal Government were in favour of quicker replacement with a higher proportion of Malayans. Those who supported the latter course included Encik (later Datuk Patinggi Haji) Abdul Rahman Yakub (born in Sarawak), who was then Assistant Minister of National and Rural Development,[57] and the Prime Minister himself. The choice of a State Secretary for Sabah, because of the importance of the post, was the most fiercely contested single appointment, and in December 1964 nearly led to a complete split in the Alliance Party in Sabah. The expatriate issue was also one of the reasons for the Sarawak Alliance break-up in June 1966.

Language and education were also contentious questions, and components of both Alliance parties in the Borneo states differed in their policies. In the first few years after Malaysia was formed, this was one of the most divisive political issues.[58] In 1963 it seemed quite possible that both states would exercise their constitutional right to vote for English to continue as an official language, in addition to Malay, after 1973.[59] In practice, when that time came, the legislatures in both states voted that the only official language should be Malay.[60]

[55] In each state this was a two-step operation. The Sabah sequence of Chief Ministers was: Donald Stephens, 1963; Peter Lo, 1965; Mustapha, 1967. In Sarawak it was: Stephen Kalong Ningkan, 1963; Tawi Sli, 1966; Rahman Yakub, 1970.

[56] See Milne and Ratnam, op. cit., pp. 31-9; Ongkili, op. cit., pp. 31-40.

[57] In 1973, as Chief Minister, he was still defending the policy of bringing in officers from Peninsular Malaysia (*Malaysian Business,* July 1973, p. 29).

[58] Milne and Ratnam, op. cit., pp. 42-9.

[59] See pp. 62-3.

[60] But in Sarawak, English was to remain an official language until 1980 (see p. 370).

In Sabah the pace of switching from English to Malay as a medium of instruction in schools was quite fast. In 1970 the lowest standard in the primary schools switched to Bahasa Malaysia and its use was extended upwards at the rate of one standard a year. In Sarawak, where the shortage of qualified teachers of Malay was greater, the pace has been slower, and the transition to the Peninsular Malaysian pattern has been more gradual.

During the first decade of Malaysia the general tendency was for centralization to obscure some of the provisions in the Malaysia Act securing autonomy in some fields for the Borneo states.[61] Certainly, events which called for national unity, such as Confrontation by Indonesia and the separation of Singapore, strengthened the desire to centralize. Under the stress of Singapore's separation, the Tunku said: "The nation is made up of thirteen states and there is no special position for Sabah or Sarawak."[62] Also, in spite of the constitutional provisions, the Federal Government wanted to make an impact on the two states: if they were completely, or largely, autonomous, then what was the point of having formed a new federation at all? The situation was quite different from the Singapore one. The Borneo states, less advanced than Peninsular Malaysia, were thought to be in need of help from it and potentially receptive to its ideas. Singapore was viewed as unreceptive, and indeed as a possible source of the kind of ideas from which Peninsular Malaysia needed to be insulated. Given the desire to centralize in some important spheres, the instruments available to the Central Government were numerous. Just as in the case of the states in Peninsular Malaysia, *party* links were an important channel of influence. In the various constitutional crises in both states in the mid-1960s, and also in the preparations for the 1970 coalition with the SUPP, leading politicians in the Alliance from Peninsular Malaysia played a key mediating role. What was difficult was to separate, analytically, their party role from their governmental role.[63] Constitutionally, the Federal Government three times decisively used its powers to affect the course of politics in the Borneo states. In September 1966 it declared a State of Emergency in Sarawak and changed the state's Constitution; to delay the Sarawak elections, due in 1968, it once again amended the Constitution; through the

[61] Gordon P. Means, *Malaysian Politics* (London, 1970), p. 409.

[62] *Straits Budget,* 25 August 1965, quoted in Ongkili, op. cit., p. 78.

[63] Milne and Ratnam, op. cit., pp. 29-30 and ch. 5.

State of Emergency which existed from 1969 onwards, it suspended the already-begun Sabah and Sarawak state elections.[64]

The 1966 Emergency in Sarawak marked the lowest point in relations between the state and the Federal Government. The use of emergency powers to enable the Federal Parliament to alter the Sarawak Constitution was widely resented in Sarawak. The expatriate, language and education issues had combined to raise tension, which was intensified by the tough attitude of the Chief Minister, Datuk Stephen Kalong Ningkan. Further complications had resulted from the divisions in the multi-party Sarawak Alliance and from the influence of money derived from timber concessions.[65] However, when he was in power, Datuk Ningkan did not go so far as to raise openly the question of secession,[66] if only, maybe, because at that time Sarawak was economically so weak.

Sabah and Secession

When Singapore left Malaysia in August 1965, Datuk (later Tun Mohamed Fuad) Stephens, leader of the United Pasok-momogun Kadazan Organization (UPKO), raised the question of re-examining the relations between Sabah and the Federal Government in the light of Singapore's departure.[67] Malaysia had been formed less than two years before on the basis of a most complicated arrangement of exceptions, checks and balances, and the racial proportions of the population of Malaysia, and the balance of party strengths, were now obviously different. But the Federal Government reacted strongly against Datuk Stephens' suggestion. It may have feared that he really was hinting at secession. The Tunku warned that any attempt by Sabah to secede from Malaysia constitutionally or by armed rebellion would fail.[68] Stephens resigned from the Federal Cabinet on the same day, and temporarily retired from politics the following November.

Datuk Stephens' party, the UPKO, had already taken up the stand of a "states' rights" party against its nominal ally, the United Sabah

[64] Milne and Ratnam, op. cit., pp. 56-7; Leigh, op. cit., pp. 108, 111, 131. See also pp. 84 and 261.

[65] Milne and Ratnam, op. cit., chs. 2 and 5.

[66] However, SUPP, then in opposition, called for a referendum on whether or not Sarawak should remain in Malaysia after the separation of Singapore.

[67] *Straits Times,* 17 August 1965; *Sabah Times,* 6 September 1965.

[68] *Sunday Times,* 22 August 1965, Milne and Ratnam, op. cit., p. 65.

National Organization (USNO), which was closely identified with the Federal Government. Logically, therefore, the UPKO was likely to react the way it did to the sudden secession of Singapore, just as the Alliance Government, in a tense situation, predictably reacted to what may have seemed to it to be a first step by Sabah towards secession.

In 1975 the possibility of secession was raised once again in circumstances almost beyond the power of a master novelist to invent. In many respects Tun Mustapha, the Chief Minister since 1967, seemed to run Sabah as a model state. Sabah's economic development had been rapid, tempered only by the effects of the world recession which had damaged its progress in the last year or so. Tun Mustapha was the type of strong ruler originally useful in a "frontier" part of Malaysia, and a reliable bulwark against any attack which might result from a revival of the Philippine claim to Sabah. Culturally, he had speeded up the adoption of Bahasa Malaysia, and had been active in promoting conversions to Islam, reportedly 95,000, or almost a quarter of the non-Muslims in the state, by mid-1975.[69] His Sabah Alliance held all the seats in the state legislature and contributed all sixteen parliamentary seats in Sabah to the support of the National Front. His power was that of a dictator, and was buttressed by wealth. "Tun's wealth means that he is impervious to money and is untouchable."[70] Legend had it that he could command support from outside Malaysia. In 1975, one Sabah politician believed that if Tun Mustapha were in trouble President Khaddafi of Libya would send twenty-four Mirage jets to help him.[71]

Indicative of his grand conceptions, and his ability to realize them with money, was the Sabah Foundation. Started in 1966 with a grant from the state, in 1970 it was given three thousand square miles of timber, bought by the State Government from timber companies. Operating through subsidiaries, its activities have included providing scholarships for Sabah students in schools and universities; setting up in Sabah a branch of ITM and another of the Universiti Kebangsaan; joint ventures, including one with a Japanese firm in an integrated wood-based industry; reclamation of land for building on the Kota

[69] *The Star,* 17 June 1975. Among the converts was Datuk Stephens.

[70] *Malaysian Business,* October 1973, pp. 29 and 31 (the opinion of a Sabah "theoretician"). The proprietorial nature of Tun Mustapha's government is well conveyed by Robert O. Tilman, "Mustapha's Sabah 1968-1975: The Tun Steps Down", *Asian Survey,* Vol. XVI, No. 6 (1976), pp. 495-509.

[71] *Far Eastern Economic Review,* 8 August 1975, p. 14.

Kinabalu seafront; distribution of a yearly cash dividend to the adult population of the state (in 1974, $60 each).[72] The Sabah Foundation was directed by the able Datuk Syed Kechik, who left Peninsular Malaysia to become adviser to Tun Mustapha in 1965.[73] The special status of the Foundation, and the Chairman for life of its Board of Trustees, Tun Mustapha, was signalled by a Sabah Foundation (Amendment) Bill, brought into the state legislature in 1975: it provided that persons found guilty of preventing or delaying any member of the Board, or the Board's director, from carrying out his duties, could be sentenced to two years' imprisonment or a $5,000 fine.[74]

If the Federal Government had worked out a cost-benefit analysis on Tun Mustapha up to about 1974, his devotion to Malay culture would have been a decided "plus". His dominant position in Sabah and even his tendencies to be somewhat "independent" of the Federal Government would not have been too much of a "minus", considering his role as protector of a frontier region against a possibly aggressive Philippines. To be sure, his style and methods were reprehensible and would not have been acceptable in Peninsular Malaysia. He had a reputation of being a playboy, and of spending much of his time away from Sabah, mostly in Britain. Arrests and intimidation, it was alleged, had been used to prevent opposition candidates from standing against his party's nominees at elections.[75] His personal wealth, ostentatiously displayed, was so immense that it could hardly have been acquired legitimately. However, the attitude of some Alliance politicians was not to worry about what Tun Mustapha was doing, and that as long as Sabah had timber, oil, and political stability, it would be all right. On the whole, the balance was favourable. In an unstable world Sabah occasioned few immediate problems. Tun Razak had never been so close to Tun Mustapha as his

[72] Milne and Ratnam, op. cit., pp. 48-9; *Malaysian Business,* October 1973, pp. 23-6, and June 1975, pp. 22-3; Bruce Ross-Larson and Benjamin Yong, *Sabah and the Sabah Foundation* (Kota Kinabalu, n.d.).

[73] *Malaysian Business,* June 1975, pp. 21-7. With Tun Mustapha's fortune in decline, he ceased to be Director of the Sabah Foundation, but he had previously set up a "Syed Kechik Foundation", privately-owned, with educational objectives. For the role of Syed Kechik in Sabah politics, see Bruce Ross-Larson, *The Politics of Federalism* (Singapore, 1976).

[74] *New Straits Times,* 5 September 1975.

[75] *Straits Times* (Malaysia), 17 August 1974; *New Straits Times,* 8 and 26 November 1974.

predecessor, the Tunku, who was impressed by Mustapha's early support for Malaysia and dedication to religious conversions. However, in a 1973 publication commemorating the tenth anniversary of Malaysia Day, he attributed the state's progress to Tun Mustapha's dedicated leadership.[76]

Later, signs of Tun Mustapha's "independence" increased, and came to constitute defiance of the Federal Government. Initially, he had insisted in cancelling unilaterally a British army exercise in Sabah (when the competent authority was the Federal Government), and in pressing it to alter its priorities on television in Sabah and on a new airport for Kota Kinabalu, the capital.[77] Some manifestations of "independence" on the part of a Chief Minister are perfectly proper. When the Chief Minister of Sarawak, Datuk Patinggi Rahman Yakub, asked in Parliament that his state should be given exemptions from export duty on certain of its products,[78] he was articulating state interests in a forum designed for articulation. But Tun Mustapha's repeated and pressing demands, which were publicized, assumed the character of a challenge to federal government authority. Later the challenge was intensified. Not having received permission to set up an airline, Sabah began its own air charter service (Sabah Air) with a fleet of almost twenty aircraft.[79] The Federal Government refused Sabah's request to raise a huge petrodollar loan, reportedly for hundreds of millions of dollars.[80] Reputedly, it also refused a federal loan to pay for the purchase of aircraft. There were also breaches of protocol by Tun Mustapha, both inside and outside Malaysia. During the visit of the King to Sabah he excused himself from attendance, pleading illness, but in fact he played golf.[81] Externally, he or his representatives approached Indonesian or Filipino politicians or officials direct, without going through the usual channels. Substantively, also, some of his external activities had their counter-productive aspects: for instance, suspicions that he might be helping Muslim rebels in Mindanao with arms did not improve relations between Malaysia and the Philippines inside the Association of Southeast Asian Nations

[76] *New Sunday Times,* 16 September 1973.

[77] Milne and Ratnam, op. cit., pp. 66-7.

[78] *New Straits Times,* 15 January 1972.

[79] Ibid., 5 September 1974, 26 November 1974 and 16 October 1975 (supplement).

[80] *Far Eastern Economic Review,* 8 August 1975, p. 14.

[81] Ibid.

(ASEAN). His huge development schemes, which had seemed venturesome and farsighted, in a time of recession and growing unemployment were viewed increasingly as rash. Rumours spread that his own financial position, and Sabah's, was unsound.

Most serious of all, Berjaya, the new party formed in Sabah in 1975, alleged that secession had been mooted by Tun Mustapha at an USNO meeting on 23 April 1975. One reason given was the desire to raise foreign loans, which the Federal Government had not allowed. Another was to form a new independent state consisting, according to different versions, of Sabah, Mindanao, Sulu and Palawan, or of Sabah, Sarawak, Brunei and Kalimantan (Indonesian Borneo). Tun Mustapha denied that he intended to secede, and said that the memorandum presented on 23 April, "The Future Position of Sabah in Malaysia", was not meant to recommend secession but rather to enable USNO members and the people of Sabah in general to weigh up its advantages and disadvantages.[82]

The actions of the Federal Government in endeavouring to remove Tun Mustapha from the Sabah scene, by offering him the Defence Ministry after the 1974 elections, and by encouraging Berjaya in 1975,[83] clearly showed that now its cost-benefit analysis of Tun Mustapha had produced a different answer. On balance Tun Mustapha was now a liability. However, implementation was to be via party machinery and party competition. Tun Mustapha could not be dealt with by a single dramatic use of federal constitutional power. A "Ningkan" approach was not possible: Tun Mustapha had a majority in the Sabah Legislative Assembly, and was much better-entrenched than Datuk Ningkan had been. The Federal Government did take actions of constitutional significance, but they did not directly attack Tun Mustapha's power. Their actions were designed to enable Berjaya to compete freely against Mustapha's party by removing constitutional weapons which otherwise he could have used, or abused, against it. Additionally, the Federal Government wished to demonstrate to the people of Sabah that, politically, it no longer backed the Mustapha regime but was acting as an impartial arbiter in seeing that elections would be carried out fairly. In May 1975 the delegation of power over the control of internal security and police to Sabah was withdrawn. Virtually all political detainees in Sabah were

[82] Ibid., 25 July 1975, p. 10, 8 August 1975, pp. 11-13, and 22 August 1975, p. 14; *New Straits Times,* 28 July 1975 and 12 August 1975.

[83] See pp. 211-12.

released. There was a switch in Police Commissioners in Sabah, the newly-appointed Chief coming from Peninsular Malaysia, and before the elections the Sabah police were reinforced by eighteen senior police officers and six troops of Federal Reserve Units. The federal presence was asserted by a visit from the Commander of Malaysia's armed forces.[84] An economist from the Federal Government was also seconded to Sabah's economic planning unit to guard against state overspending on grandiose development projects.[85] Finally, at the state elections of April 1976, won by Berjaya, visits by nineteen Federal Election Commission officials (including the chairman), and the presence of additional police sent from Peninsular Malaysia, ensured that Berjaya's (and other opposition) nominations were not hampered and that electors would feel free to vote as they wished without being obliged to support Tun Mustapha's "government" party.[86] The only restriction on Berjaya was via state control of immigration. UMNO and PAS members were allowed in from Peninsular Malaysia to campaign for USNO. Only one UMNO member was admitted into Sabah to campaign for Berjaya, on Datuk Hussein Onn's intervention.[87] Berjaya's election victory in 1976 prepared the way for more cordial relations between the Federal Government and Sabah.

The new government found evidence of financial mismanagement and waste.[88] Some of this had occurred via the Sabah Foundation, and a bill was introduced to bring it under government control.[89] Other extravagancies of the previous regime, such as aircraft belonging to Sabah Air, were put up for sale.

New Complications and New Mechanisms

This broad outline of federal-state relations is complex enough, but it fails to convey the full intricacies of government. Many federal

[84] *Far Eastern Economic Review,* 25 July 1975, p. 11, and 1 August 1975, p. 10; *New Straits Times,* 15 August 1975.

[85] *Far Eastern Economic Review,* 12 March 1976, pp. 16-17.

[86] On the elections see pp. 211-14.

[87] *Far Eastern Economic Review,* 7 May 1976, p. 5.

[88] *Malaysian Business,* June 1975 (interview with Tun Fuad Stephens), pp. 7-10; *New Straits Times,* 27 April 1976.

[89] Ibid., 15 June 1976. Ironically, Tun Fuad's tragic death led to the establishment of another foundation, with educational aims, the Tun Fuad Foundation.

departments operate at state level, and the rural development organization and the security organization reach right down to district level. Moreover, there has been a rapid increase in the number of statutory governmental bodies, difficult enough to coordinate at federal level, which also function in the states and have dealings with State Governments.[90] The attitude of states towards such statutory bodies is an important element in their success or failure. Personalities can be important. Part of MARA's greater acceptance in the states, compared with its predecessor, RIDA, was due to the political background and status of its chairman, Encik Ghafar Baba, which helped him in dealing with the Mentris Besar. Sometimes statutory bodies have had to engage in complicated negotiations with the states in which large sums of money are involved, as in PETRONAS' talks with the states on their share of oil revenues. Proliferation of bodies has not all been on the federal side. In the last few years State Economic Development Corporations, some of which are engaged in joint ventures with federal statutory bodies, have become important.[91]

All this has made cooperation and coordination more difficult, but there have been some positive developments. One unplanned change followed the events of May 1969. NOC-type rule clearly diminished state autonomy by making SOCs (State Operations Committees) subordinate to the NOC. Some psychological effects of this relationship must still remain. Another factor aiding coordination has been that after the formation of coalitions and the National Front, and its confirmation in power in the elections of 1974, there are now no opposition parties in control of any State Governments, which prevents the 1959-69 "Kelantan-type" situation from arising. At ministerial level the Prime Minister and Mentris Besar or Chief Ministers meet in conjunction with the Conference of Rulers.[92] They also meet separately to coordinate implementation of various policies in the states.[93] A planned way of improving coordination at official level has been the Federal and State Governments Coordination Committee, which meets regularly in different states and comprises the secretaries-general of federal ministries and the state secretaries.[94]

[90] See pp. 253-4.

[91] See pp. 335-6.

[92] See p. 263.

[93] *New Straits Times,* 10 January 1976.

[94] Ibid., 18 April 1975 and 17 October 1975.

Another kind of coordination, also discussed in the Federal and State Governments Coordination Committee, is not federal-state but *between* the states, on the basis of regional cooperation. In February 1974 it was reported that Penang and Kedah had set up a joint regional economic development committee to work on industrial promotion and finance.[95] The topic was judged important enough for the Prime Minister to use it as his theme in a speech in March 1975. Tun Razak, among other things, pointed to the fact that natural features such as rivers or mountains not only provided boundaries for states but also required coordination between them in order to develop efficient communications, water supplies and so on. In particular, he indicated the desirability of coordination in a "northern region": Perlis, Kedah, Penang and Perak.[96] Not all attempts at cooperation between states have proceeded smoothly. In August 1975 the Chief Minister of Sarawak, Datuk Patinggi Haji Abdul Rahman Yakub, said that Sabah had told him that it was withdrawing from a cement plant joint venture by the two states. The next day, however, a Sabah minister had announced the establishment of a new airline by Sabah, Sarawak and the federal airline, MAS. Sarawak, according to its Chief Minister, had made it clear that it wanted this project deferred, not being convinced of its viability at the moment.[97] Just as in federal-state relations, relations between states depend on good *political* relations. And in August 1975 relations between the Chief Ministers of the Borneo states were decidedly bad, Datuk Patinggi Rahman Yakub having apparently aligned himself with the Federal Government against Tun Mustapha.

[95] Ibid., 28 February 1974.

[96] "Speech by Y.A.B. Ketua Menteri Regarding Regional Development" (Second Convention of the Malaysian Economic Association, Kuala Lumpur, 29 March 1975). See also *Third Malaysia Plan 1976-1980* (Kuala Lumpur, 1976) pp. 212-13.

[97] *New Straits Times,* 20 August 1975.

7
POLITICAL PARTIES AND INTEREST GROUPS

The Political Parties

The Postwar Political Awakening

The Malayan Union scheme provided the catalyst for the rise of Malaya's modern political party system.[1] On 1 March 1946, 41 Malay Associations met in Kuala Lumpur as the Pan-Malayan Malay Congress to discuss the idea of forming a centralized organization for fighting off "the ignominy of racial extinction".[2] Just over two months later, on 11 May, at the next regular meeting of the Pan-Malayan Malay Congress, the United Malays National Organization (UMNO) was inaugurated. Dato Onn bin Jaafar, the leading figure of the protest movement, was elected as its first president. Though there was as yet no franchise, and the UMNO was not to be officially registered as a political party until 27 April 1950, the organization was set up as a cadre-type political party. It was organized at the base by kampung committees, coordinated at state level by liaison committees, and united at the top by party headquarters. Its activities included demonstrations, agitation, and obstructionism, coupled with serious work on drawing up alternative plans to the Malayan Union.[3]

Unlike earlier Malay political and literary associations, with pan-Islamic, pan-Indonesian, or leftist intelligentsia orientations, the UMNO was able to unify the Malays, from the kampungs to the English-educated elites and members of the ruling houses, in a common cause. Its expression was via a mild form of nationalism, the

[1] See pp. 26-8 for details of the Malayan Union period.

[2] Ishak bin Tadin, "Dato Onn and Malay Nationalism, 1946-51", *Journal of Southeast Asian History*, Vol. 1, No. 1 (March 1960), p. 61.

[3] See Mohamed Noordin Sopiee, *From Malayan Union to Singapore Separation, Political Unification in the Malaysia Region, 1945-1965* (Kuala Lumpur, 1974), pp. 24-38; Gordon P. Means, *Malaysian Politics* (London, 1970), pp. 98-102, 112-14; Hans H. Indorf, "Party System Adaptation to Political Development in Malaysia During the First Decade of Independence, 1957-1967" (Ph.D. Thesis, New York University, 1969), pp. 143-7; Daniel Eldredge Moore, "The United Malays National Organization and the 1959 Malayan Elections: A Study of a Political Party in Action in a Newly Independent Plural Society" (Ph.D. Thesis, University of California, 1960), pp. 31-3.

aim being to prevent the possibility of future political domination by the Chinese; the goal of Independence was not part of the movement. When the UMNO succeeded in having the Malayan Union replaced by the Federation Agreement, it became the dominant political force in the country, working cooperatively with the British authorities.

The Chinese, grouped variously into clans, guilds, KMT supporters, and communist sympathizers, were unable to unite to prevent the promulgation of the Federation Agreement.[4] It was not until the Emergency that the various sectors of the Chinese community realized the need to form an organization which could look after the interests of the Chinese and also provide an alternative leadership base to the Malayan Communist Party. The result was the formation of the Malayan Chinese Association (MCA) on 27 February 1949. Although Tun Tan Cheng Lock, who became the first President of the MCA, had been the first to talk of the need for such an organization, the initiative to form the MCA was taken by sixteen Chinese Federal Councillors, reportedly with the concurrence of the High Commissioner, Sir Henry Gurney.[5] Generally approved of by the traditional Chinese leadership, though run by the English-educated elite who had access to the British authorities, and who were expected to assist the British Administration, especially the police, the MCA was, in Anthony Short's words, "born into a dilemma".[6] The MCA had power but no broad support base of its own, and it picked up the image of a wealthy man's association working with the Government.

The MCA was first organized as a welfare organization to look after the interests of Chinese squatters being resettled in the New Villages, with finances coming from donations and a lucrative lottery. The Constitution of the MCA, adopted at a general meeting in June 1949, had as its primary aims the promotion of inter-racial goodwill,

[4] However, numerous Chinese organizations did ally themselves in 1946 with leftist Malay associations in the All-Malayan Council of Joint Action (AMCJA, later AMCJA-PUTERA) and staged largely unsuccessful work hartals in protest against the Federation Agreement.

[5] Chan Heng Chee, "The Malayan Chinese Association" (M.A. Thesis, University of Singapore, 1965), pp. 1-3. She notes that the real promoters, from behind the scenes, were actually Yong Shook Lin, H.S. Lee, Tan Siew Sin, Khoo Teik Ee, and Leong Yew Koh.

[6] Anthony Short, *The Communist Insurrection in Malaya, 1948-1960* (London, 1975), p. 266. Also see Wan Mong-Sing, "The History of the Organizations of the Chinese Community in Selangor with Particular Reference to Problems of Leadership, 1857-1967" (M.A. Thesis, University of Malaya, 1967), pp. 83, 112.

the welfare of the Chinese, and peaceful and orderly progress in Malaya. It did not consider itself a political organization, and members were not prohibited from joining political parties. However, in late 1951, Tun Tan Cheng Lock decided to turn the MCA into a political organization and he drafted a *Memorandum of the Reorganization of the MCA* which the Central Working Committee approved on 20 June 1952.[7]

Though they felt the need for a communal organization with local influence, the Indian community was badly divided, dispersed and completely outnumbered by the Malays and Chinese. Nonetheless, an organization for the Indian community, the Malayan Indian Congress (MIC), was formed in August 1946, having its roots, through its founder and first President, John Thivy, in the wartime Indian Independence League.[8] The party had difficulty attracting sufficient numbers of Indians and trouble in maintaining the unity of those who did join; for instance there were differences of opinion over the question of membership for non-Indians.[9] The MIC joined the AMCJA and found itself alone when that coalition collapsed; in 1951 it became the staunchest supporter of the IMP, which also subsequently collapsed. It was not until the MIC opted to join the Alliance (see below) that it was able to play the role of a somewhat effective bargaining agent for the Indian community.

The Communal Nature of Politics

During the war, with the British protective umbrella removed, there had been outbreaks of communal conflict and violence. In view of the prospect of future self-rule and Independence, the obvious questions in the postwar years were: how politically salient was communalism, and what political forms could be developed to minimize its impact? Two interesting experiments emerged: the Communities Liaison Committee (CLC) and the Independence of Malaya Party (IMP).

The CLC grew out of an informal dinner gathering of twenty-one people at the home of Dato Onn in late December 1948. This group of communal leaders decided to meet as an unofficial body to try to work

[7] *MCA 25 Tahun 1949-1974* (Kuala Lumpur: MCA 25th Anniversary Souvenir Publication, 1974), p. 1. The MCA was not allowed to continue with its lottery after its participation in the 1952 municipal election on the ground that it was now a political party.

[8] See Hugh Tinker, *Separate and Unequal* (Vancouver, 1976), pp. 206-8, 292.

[9] See Means, op. cit., p. 121

out some of the constitutional, political and economic bottlenecks existing as a result of differing demands of the various communities.[10] The CLC first met on 10 January 1949 and started work on recommendations for citizenship, education policy, and the introduction of elections. The committee attracted little public support and the Malay Press was suspicious and even hostile.[11] The proposals of the CLC, made public in September 1949 and April 1950, were not binding, but nonetheless were to influence political and constitutional developments in the Federation. The CLC rejected communal seats and communal electoral rolls, adopted a liberal stand on citizenship, and agreed that steps should be taken to ensure the improvement of the economic position of the Malays.

Dato Onn then tried to secure UMNO's approval for some of the CLC recommendations. The citizenship recommendations were met by counter-proposals and passed only under great duress and with much resentment, while his idea of opening UMNO membership to all races was refused. Finally Dato Onn's often repeated threat of resignation was accepted and the UMNO elected a new President, Tunku Abdul Rahman. Nevertheless, as Gordon Means points out, ". . . the reports of the CLC represented significant political compromises reached through hard bargaining by communal leaders".[12] The methods and the style of elite accommodation were to become the core of the Federation's political system.

Dato Onn, deciding to form a multi-racial party which would seek Independence in seven years and would stress political and economic equality, inaugurated the IMP on 16 September 1951.[13] The new

[10] Karl von Vorys, *Democracy Without Consensus* (Princeton, 1975) pp. 96-104; Means, op. cit., pp. 123-4; Tan Cheng Lock, *Confidential Memorandum on Malaya* (19 May 1950); Margaret F. Clark, "The Malayan Alliance and its Accommodation of Communal Pressures, 1952-1962" (M.A. Thesis, University of Malaya, 1964), pp. 18-19.

[11] Clark, op. cit., p. 19. She reports an *Utusan Melayu* (6 January 1949) description of the CLC as "a meeting of high-class Malays with rich Chinese under the guidance of a British official".

[12] Means, op. cit., p. 124.

[13] Some writers suggest that Dato Onn started the IMP party because he was worried that the Chinese, especially the MCA, might gain the initiative by being the first to form a multi-racial party. Ironically, members of the MCA evidently feared that the success of the IMP would eventually mean the absorption, and thereby the demise, of the MCA itself. See Lim San Kok, "Some Aspects of the Malayan Chinese Association, 1949-1969", *Journal of the South Seas Society,* Vol. 26, No. 2 (1971), p. 36; and Clark, op. cit., pp. 27-32.

party was initially supported by sections of the MCA and the MIC, and Dato Onn hoped the UMNO would eventually cooperate with the IMP.[14] However, the Tunku would not allow members of the UMNO to join or assist the party, under penalty of expulsion. The IMP, still lacking adequate party machinery and an organizational base, and with waning support from the Chinese community, entered the Kuala Lumpur municipal elections on 16 February 1952 and was decisively beaten (see below);[15] it languished on for nearly two more years before being disbanded. Its presence had answered the question of the viability of a multi-racial party. The Malays would not support such a party—Dato Onn had misjudged their mood—and the Chinese rapidly withdrew their support. Communal issues were paramount, and political support gravitated to communal parties.

The Alliance Party

Despite a general commitment to the IMP on the part of several national MCA leaders, the organization itself had not made any official decision, and the Selangor MCA decided to field MCA candidates for the Kuala Lumpur municipal elections. Apparently, Sir H.S. Lee, head of the Selangor MCA, had not been invited to the inaugural meeting of the IMP and as a result bad feelings existed between Sir Henry and Dato Onn.[16] The Selangor MCA drew up a manifesto and indicated that non-Chinese candidates would be included on the MCA banner. Meanwhile, the UMNO Kuala Lumpur chairman, Dato Haji Yahya bin Dato Abdul Razak, entrusted with the authority to do whatever was necessary in order to win seats in the face of expected strong competition from the IMP, and badly lacking funds, was alarmed at the prospect of additional competition from the MCA.[17] Consequently, when Sir Henry and Dato Yahya happened to meet at the Miners' Club in Kuala Lumpur in January 1952, the two agreed to form an electoral alliance with joint candidates and with the

[14] R.K. Vasil, *Politics in a Plural Society* (Kuala Lumpur, 1971), pp. 50-1.

[15] Ibid., p. 61. Vasil quotes an IMP *Memorandum to the Kuala Lumpur Branch Committee from the Former Election Agent, Petaling Jaya, Kuala Lumpur* of 10 March 1952 which said that Chinese voters did not vote for IMP because the party had nothing substantial to offer them, and so Chinese voters retained their traditional loyalty to a Chinese organization which had at least done something for them. (The election agent was Yong Pung How.)

[16] Clark, op. cit., pp. 37-40; Vasil, op. cit., pp. 10-11, fn. 56.

[17] Harry Miller, *Prince and Premier* (London, 1959), pp. 112-13.

MCA providing the necessary funds. In a joint statement, the election alliance was announced on 9 January 1952. Neither the UMNO nor the MCA national headquarters objected and from this *ad hoc* temporary arrangement the Alliance was born.[18]

For the elections, the UMNO and the MCA divided the twelve council seats. There was no attempt at a common platform, and the term "Alliance" was not used. The election results showed the value of such a pact: the UMNO-MCA alliance won 9 seats and the IMP managed to capture only 2 seats.[19] Despite the strains in 1952 over the Immigration Control Bill, and in 1953 over the Education Ordinance, the electoral arrangement was tried in other elections with great success.

Electoral victory led to the idea of institutionalizing the arrangement, and in February 1953 the national leaders of the UMNO and the MCA met in Kuala Lumpur to draw up an agenda for a series of Round Table Conferences.[20] Then followed a decision to form UMNO-MCA liaison committees at all levels throughout the country, and an agreement on a draft plan for general elections. At a National Convention on 23 August 1953 it was decided to establish a national Alliance, and in September 1954 a 30-member National Executive Council was installed as the supreme authority, which met in Kuala Lumpur for the first time on 10 April 1955.

It was clear to UMNO and MCA leaders by this time that the British were unlikely to grant independence to Malaya if it meant surrendering power to one communal group only. Similarly it appeared that a single multi-racial party was not viable. The Alliance, which linked separate communal parties into an institutionalized alliance at the elite level, seemed to be the answer to this dilemma.[21]

[18] Tun Tan Siew Sin noted later that the Alliance was born in "inauspicious circumstances" as the MCA was badly divided over the issue of completely abandoning the IMP, and also over the question of whether or not the MCA could trust the UMNO (see "In Service of the Community", MCA Headquarters publication from a 1969 MCA Central Assembly address). Tun Tan was particularly alarmed at the Tunku's speech soon after the Tunku became President of UMNO and said: ". . . some people say independence should be handed to 'Malayans'. Who are these 'Malayans'? The Malays will decide who the 'Malayans' should be." (Miller, op. cit., p. 106.)

[19] The twelfth elected council member was an Independent.

[20] See T.H. Tan, "How Independence Was Won", *MCA 20 Tahun* (Kuala Lumpur, 1969).

[21] K.J. Ratnam and R.S. Milne, *The Malayan Parliamentary Election of 1964*

To complete the ideal of representation for each major community, the MIC was approached about membership in the Alliance, and, by a close vote, it elected to join in October 1954.

The légal status of the Alliance remained hazy until it was officially registered as a political party in 1958.[22] Even then, it was a "grand" political party comprising of three registered political parties in the fashion of a permanent coalition.[23]

The core of Alliance policy (commonly referred to as "the bargain"), which set the pragmatic rules of the nation's political system and settled some of the key constitutional problems, has been discussed in chapter 3.[24] It represented the results of the tough compromises reached by the elites on controversial communal issues which were worked out for the Alliance's memorandum submitted to the Reid Constitutional Commission in 1957. Essentially, the bargain provided for Malay political domination in return for a free enterprise system which would allow the continuation of Chinese economic power. Specifically, it offered liberal citizenship requirements as a major concession by the Malays in return for non-Malay concessions on special rights, religion and language. In the short term, this package deal satisfied the major claims of each community.

Though there was a determined effort to maintain the myth of equality between the component parties of the Alliance, it was clear from the beginning that political power had primacy over economic power, that the UMNO was the senior partner of the Alliance, and indeed, that the cornerstone of any policy would be based on the

(Singapore, 1967), p. 11. Dr Mahathir saw the Alliance as the best choice because "it is not too communal and its component parties have not forgotten their racial origin" (*Straits Times* (Malaysia), 29 February 1972).

[22] After the Registrar of Societies ruled in November 1957 that the Alliance would have to be registered as a political party, there were fears in UMNO that it might lose its predominant position. These fears were allayed only when it was decided that all policy decisions in the Alliance Executive Committee would have to be unanimous (see Clark, op. cit., pp. 171-2).

[23] In May 1965 the Alliance Direct Membership Organization (ADMO) was initiated to cater to individuals who did not belong to one of the component parties, either because they did not fit ethnically into any of the component parties, such as the Ceylonese and Eurasians, or else did not like the policies of the relevant component party, yet wanted to support the Alliance (see p. 190, fn. 270 below).

[24] Also see Ratnam and Milne, op. cit., p. 11; Means, op. cit., pp. 173-9; and Gordon P. Means, "'Special Rights' as a Strategy for Development: The Case of Malaysia", *Comparative Politics,* Vol. V No. 1(1972), pp. 29-61.

precept of Malay (UMNO) political dominance.[25] Within these boundaries there could be bargaining, compromises, and accommodation on specific issues among the elite.

The Alliance did not have a written Constitution when it was first established, and, even when it did get one, it was not a good guide, except administratively, to the actual working arrangements of the party. In July 1957 a subcommittee was formed to draft a Constitution; its recommendations were announced in October, and it came into effect on 20 May 1958.[26] Although there had been talk since 1955 of eventually merging the component parties, the idea was ignored in the 1958 Constitution and was never revived.[27] The Alliance Constitution did not call for any general meeting of its members. It had two supreme bodies, the National Council, consisting of 16 representatives each from UMNO and MCA and 6 from the MIC, and the National Executive Committee, with 6 representatives each from UMNO and the MCA and 3 from the MIC, elected by the National Council from among its members. Although it was originally intended that the chairmanship should rotate yearly, it was decided informally after one year that the Tunku should stay on. The National Executive Committee was the primary decision-making body, with powers to select candidates, initiate policies, recommend disciplinary measures, and select the chief party administrators. Issues were decided by consensus rather than by vote, and the committee met irregularly. Since there tended to be a high overlapping of membership between the committee and Cabinet members, and also close personal relationships between them, much of the necessary discussion was conducted among the members informally.

There was a centralization of power at the apex of the Alliance

[25] Tun Tan Siew Sin understood the rules of the game, and often warned the Chinese against trying to upset the political power of the Malays. In 1964 he warned, "If this balance is upset, they will resort to drastic action to restore their position" (*Straits Times,* 6 March 1964). This was reflected even in the political roles of the parties. UMNO was largely responsible for the party machinery and for getting out the bulk of the Alliance vote, while the MCA got out as many voters as it could and contributed most of the election financing.

[26] The 1967 *Constitution and Rules of the Alliance Party of West Malaysia* was substantially the same as the earlier constitution.

[27] In the *Constitution and Rules of the Alliance Party, 1958* it is stated that the "Alliance Party means the joint UMNO, MCA, and MIC political parties and such other parties as may join them after the adoption of this constitution" (quoted in Vasil, op. cit., p. 21). None of the component parties mentioned the Alliance in their respective constitutions.

structure, and coordination below the national level was less tight. Each state had a liaison committee and several divisional committees to coordinate activities. There was no Alliance organization at the branch level.[28]

The political style of the Alliance depended largely on the autonomy of the elites and their ability to convince the rank and file to abide by the decisions made at the top.[29] Within the Alliance, behind closed doors, there could be intense bargaining, but conducted in an atmosphere of trust and in a spirit of accommodation. Once a decision was taken, it had to be defended by all the component parties.[30] There could be pressure, but not public pressure, and decisions could not be publicly explained. Secrecy was a key rule of the Alliance style.[31] The other key was compromise and a technique of trying to discuss a problem until a consensus could be reached. This style of elite accommodation was accompanied by a constant effort to depoliticize communal issues and to use the "power of government and party to suppress unmanageable claims".[32]

The Alliance, as a party and a government, was not ideologically motivated. It believed in political pragmatism, protecting the bargain, and preserving communal harmony. It supported the free enterprise system and foreign investment, but often emphasized its welfare and development goals and achievements. The Tunku explained: "We are ready and willing to accept anything that we earnestly believe is either politically or socially good and productive . . . There are no water-tight compartments in our policies . . . In my party we are right and centre and left according to what is needed and what we think best."[33]

[28] Ratnam and Milne, op. cit., p. 40.

[29] See Milton J. Esman, *Administration and Development in Malaysia* (Ithaca, N.Y., 1972), pp. 23-31, 258-61; Mohamed Noordin Sopiee, op. cit., p. 184; and Cynthia H. Enloe, *Multi-Ethnic Politics: The Case of Malaysia* (Berkeley, 1970), pp. 103-16.

[30] Tun Tan Siew Sin noted that ". . . when one party asks for concessions, that party always tries to bear in mind the difficulties of the other party or parties, so that the final solution does not bear too harshly on any one community" (*Sunday Times* (Malaysia), 12 August 1973).

[31] One politician explained the need for secret top level meetings to "minimize possible differences and perhaps confine them to the national leaders. We do not want these differences to go down to the rank and file in our parties." (*Straits Times* (Malaysia), 20 June 1973).

[32] Esman, op. cit., p. 259. Esman calls the Alliance style a "mutual deterrence model of conflict management", p. 261.

[33] Tunku Abdul Rahman, *The Alliance,* Vol. 1, No. 14 (April 1967), p. 2.

The UMNO is a mass-based party with extensive organization in every state in Peninsular Malaysia and with an effective penetration of the rural villages through its branch units. In a very real sense, UMNO is the "government party" it is often assumed to be, and it is sometimes difficult to distinguish party and government at the top.

UMNO's constitutional history has witnessed a contest between proponents of democratic mass participation and those in favour of a centralization of power in the Supreme Executive Council and the President.[34] Generally, the trend has favoured the centralizing process. When Tunku Abdul Rahman was elected President in 1951, he had the Constitution amended in several important ways. In policy, the most important change was the alteration of the party slogan from "Hidup Melayu" to "Merdeka", and internally the Tunku won the right to choose his own Secretary-General and to nominate six members to the Supreme Executive Council, which enhanced his power.[35] In the December 1955 Constitution, the trend was reversed when the State Executive Committees were given vast powers over the state organizations. The result was considerable infighting and factionalism at the state level and the development of semi-autonomous state organizations. An attempt to reduce the power of the state organizations was blocked in 1959, but passed in 1960. The new Constitution dismantled the State Executive Committees and replaced them with less powerful State Liaison Committees with the chairmen appointed by the Supreme Executive Council. Furthermore, divisions now dealt directly with the national headquarters on most matters.[36]

The national organization of the UMNO calls for an elected President, a Deputy President, five Vice-Presidents, and the appointment of a Secretary-General, Treasurer, and Publicity Chief. The top policy-making body and power centre of the party is the Supreme Executive Council. This is made up of presidential appointments and those elected by the General Assembly. Of the five Vice-Presidents, one each comes automatically from the heads of

[34] For a year-by-year account of UMNO see J. Albar, "Sejarah Dan Kesan-Kesan Perjuangan UMNO" ("The History of UMNO's Struggle"), in *Kursus Politik Peringkat Negeri 1975,* published by the UMNO Youth Malaysia Movement.

[35] See Mahathir bin Mohamad, "Problems of Democratic Nation-Building in Malaysia", *Solidarity,* Vol. VI, No. 10 (1971), pp. 6-15.

[36] See Means, *Malaysian Politics,* op. cit., pp. 196-7; and *UMNO Undang-Undang Tuboh* (April 1960).

UMNO Youth and Wanita UMNO (formerly Kaum Ibu). The other three are elected by the General Assembly.

The General Assembly is comprised of delegates from UMNO branches, through the divisions. Before delegation limitations were initiated, delegates were selected on the basis of one for so many branch and division members. This led to the phenomenon of vote-buying in some states to enlarge membership and thus increase the number of delegates allowed from a state. Since the votes of the delegates from a state were largely controlled by the Mentri Besar or Chief Minister, this increased the power of the state leader. This practice went undetected for many years, and when it was discovered, steps were taken to stop it, as discussed later.

UMNO Youth and Wanita UMNO are semi-autonomous sections of the party with their own sets of officers and their own joint assembly.[37] Wanita UMNO has been important in fighting to improve the rights of women and in helping to get out the vote during elections, but it has never been a powerful pressure group like UMNO Youth. In many ways, UMNO Youth seems to view itself as the watchdog or conscience of the party with regard to fostering and protecting Malay rights. The former President of UMNO Youth said that UMNO "was like a military force with the UMNO Youth movement forming the front line".[38] In the past UMNO Youth has had to be warned by the parent body to be less militant.[39]

The underlying axioms upon which all UMNO policy is based are UMNO political dominance and Malay unity. Within these boundaries, UMNO is willing to compromise with its coalition partners.

The MCA is a mass membership party, although it has been variously referred to as a patron party and a party of notables because of its links at the elite level with the Chinese business community and various Chinese associations. The party is organized at the base by ward branches and divisions, brought into official existence by a constitutional amendment of 1959. The next level, the State

[37] Formerly there was no age limit on UMNO Youth, but after a number of controversial proposals, it was finally decided that the age limit should be forty, but would not apply to the President. An Ulama (religious) section was set up in 1959 but was never important and later was dropped.

[38] *Straits Times* (Malaysia), 24 March 1972. Dato Harun saw UMNO Youth's militancy as a safety valve for young Malay ultras who would otherwise go to a more extreme organization (interview, 14 June 1975).

[39] *Straits Times* (Malaysia), 24 June 1972 and 1 July 1974.

Assemblies (later the State Liaison Committees), possessed considerable power, much more than their UMNO counterparts, and until the 1971 constitutional amendments, the state organizations tended to act with a great deal of independence, financially and in interpreting the policy directives from the centre.

The national organization is headed by an elected President, a Deputy President, (usually) six Vice-Presidents, and appointed administrative officials. In 1961 a special "President's Committee" was instituted and functioned as an inner Cabinet. The most powerful policy-making body of the MCA is the General Working Committee (later called the Central Committee), comprised of members elected by the General Assembly and those appointed by the President.

The MCA Youth wing was formed in Malacca in 1954 and held its first National Delegates Conference in 1955.[40] Like its UMNO counterpart, the Youth has its own set of officers and its own meetings. It has attracted mostly Chinese-educated members, and has tended to be more outspoken in its defence of Chinese interests than the parent body.

The MCA has operated on three basic principles: accommodation for maintaining racial harmony, retaining access to the highest policy-making levels of government, and acting as sole spokesman for the Chinese community. Because the MCA has not been able to attain an equal bargaining posture *vis-à-vis* the UMNO, the party has often been on the defensive.[41] This has contributed in turn to internal divisions, nearly always characterized as "new bloods" versus "old guards", and perpetual efforts at reorganization and revitalization.[42]

The MIC is by far the weakest partner in the coalition, with little electoral strength, no roots with the Indian labouring class, unable to extract significant governmental concessions, and faced with the task of trying to attract a very divided Indian community.[43]

[40] A Wanita MCA section was established later, but is still in its infancy.

[41] Tan Sri (Dr) Lim Swee Aun noted, "The MCA may not look attractive; may not be spectacular; but it is always dependable." (*MCA 20 Tahun, 1949-1969,* op. cit., p. 10.)

[42] The MCA has been almost written off a number of times, but has demonstrated a great propensity for survival in a crisis. In June 1962, for instance, Tun Tan Siew Sin said that "At this moment some of our detractors claim that it [MCA] is down, so much down in fact that it is on the way out, and probably in a cheap coffin too." (*Collection of Articles About and Speeches of Tun Tan Siew Sin, 1955-1970*) (cyclostyled) (Penang, Universiti Sains Malaysia Library Collection).

[43] See Moore, op. cit., pp. 217-44.

Organizationally, the MIC is similar to the UMNO and the MCA, though it is less structured, with fewer branches, and with a number of inactive units.[44] Factionalism within the party has been endemic and meetings have on occasion been disrupted by fist fights between rival groups. In 1957 (and again in 1972) the MIC had to have Alliance (UMNO) assistance in settling internal conflicts.[45]

The basic axiom of the MIC is to remain within the ruling coalition. With the Indian population not comprising as much as one-fourth of the electorate in any constituency, the MIC would have no future on its own.[46] The party has been moderate in its requests for candidacies,[47] remained quiet during the 1959 MCA crisis, and has not raised objections on language and education issues or the principle of Malay special rights.

With the formation of Malaysia an attempt was made to standardize and coordinate, as far as possible, party politics in the Borneo states and Singapore with the Alliance pattern of Peninsular Malaysia. Already a Sabah Alliance and a Sarawak Alliance were in operation, and the UMNO was considering amending its Constitution to allow the indigenous non-Malays of Sabah and Sarawak to join UMNO as full members. It seemed possible that the Malayan parties might expand into the new states. In March 1963 a Grand Alliance Convention was held where it was resolved to form a Grand Alliance.[48] However, in April 1965, at only the third meeting, discussions on a draft Constitution for what was then being termed the Malaysian Alliance Party were still continuing without much progress.[49] It was becoming apparent that the Alliance pattern would not work quite the same way in the Borneo states, and could barely get off the ground in Singapore as an opposition party, and the constituent parties of the original Alliance were losing interest in expanding directly. Although

[44] For instance, the MIC Youth had membership only in Selangor, and this eventually came under criticism and was never active.

[45] Moore, op. cit., pp. 241-4.

[46] Ratnam and Milne, op. cit., p. 40.

[47] Except sometimes in Perak.

[48] See *United for Malaysia* (Kuala Lumpur, n.d.) Although the Tunku mentioned an "all-party government" he was referring to the bringing in of as many East Malaysian parties as possible, and not to further coalitions in Peninsular Malaysia (interview, 30 May 1975). Also see Edwin Lee, *The Towkays of Sabah* (Singapore, 1976), pp. 140, 186-7, 213.

[49] See *Straits Times,* 24 and 25 March, and 16 April 1965.

another convention was held in Kuching in October 1967, coordination tended to work through informal, governmental or person-to-person contacts rather than through the unwieldy Malaysian Alliance Party organization.

The "Grand Alliance" meeting held in December 1972 was different quantitatively and qualitatively. For the first time, political parties outside the Malaysian Alliance Party were invited, and the discussion included the coalition in principle with PAS and a possible future national front of Malaysian political parties.[50]

In a multi-ethnic society, where communalism is highly politically salient, the key to the success of elite accommodation is the elites' ability to secure the approval or compliance of each of their respective communities.[51] This task is easier if there has been a low level of politicization and if the society is based on a tradition of deference. The danger to the accommodating elites in a multi-ethnic society is that they can be "outbid" by counter-elites who are not constrained by compromises. This tends to produce some vicious circles. For instance, if one party must accommodate on an issue which is perceived as disadvantaging its own ethnic community, it loses some support from that community, and this in turn weakens its ability to bargain effectively in the future with parties representing other communities. Further, such a situation often creates divisions within the party itself, with "racials" or "ultras" attempting to retain communal support by undermining or even attempting to topple the leadership.[52] Finally, this produces strains and stresses on the inter-ethnic coalition itself.[53]

The MCA has most often been the victim of outbidding, largely because it is in a weaker bargaining position than the UMNO, and

[50] *Malay Mail,* 9 December 1972; *Straits Echo,* 30 November 1972; *The Star,* 10 December 1972.

[51] Eric A. Nordlinger, *Conflict Regulation in Divided Societies* (Cambridge, Mass., 1972), pp. 73-5. Also see Arend Lijphart, "Consociational Democracy", *World Politics,* Vol. 21, No. 2 (January 1969), pp. 207-25.

[52] Tan Sri Khaw Kai Boh noted in 1970 that Malaysia "is not having a confrontation of racial issues but rather a confrontation between moderates and extremists" (*The Guardian,* Vol. 4, No. 2 (1972), p. 8).

[53] Ratnam and Milne write that the Alliance "has had to lean in different directions in order to prevent its support from being undermined by parties which are more exclusively dedicated to representing the interests of particular communities . . . Needless to say this need to lean in different directions at the same time has produced certain strains within the Alliance, each partner wanting to improve its salience in the overall party image" (op. cit., p. 414).

partly because the Chinese society is less deferential than the Malay community.[54] A look at four crises will illustrate the problems.

The major concession gained by the MCA for the Chinese community was the citizenship provision of *jus soli.*[55] Although the MCA initially appeared willing to accept compromises on the issue of *jus soli,* the demand for it by the Chinese community forced the MCA to insist on it, even at the risk of breaking up the Alliance. The MCA was in a better bargaining position then than it was to be in the future, with Independence imminent so long as the British could hand the reins over to a multi-ethnic coalition. With UMNO acceptance of the provision—despite the strenuous objections of some Malay groups who complained that it had sold the birth-rights of the Malays, and who threatened to break up Malay unity—the MCA leaders realized that this step represented a major shift in Malay thinking, from viewing citizenship in cultural terms to granting it automatically to persons born in the country as from the date of Independence.

Having gained this concession, the MCA was alarmed and embarrassed when in mid-1956 a conference was held, representing more than 700 Chinese organizations, which urged the Chinese to boycott the MCA, threatened to set up a rival organization, and which disagreed with the constitutional provisions worked out by the Alliance, and decided to send a delegation to London to submit a memorandum to the Royal Constitutional Commission (Reid Commission).[56] Although the MCA weathered the tempest when the Selangor Chinese Assembly Hall withdrew its support from the movement, UMNO saw clearly that the MCA could not speak for nearly the whole Chinese community, and the MCA, having gained a most vital concession, reaped little reward or gratitude; indeed as one Chinese paper editorial noted, "We feel that we can no longer rely on the MCA . . ."[57]

The next major crisis to rock the Alliance occurred in July 1959. It shattered the myth of equality within the Alliance, because the UMNO

[54] Dr Mahathir observed that "at first, Chinese moderates thought that the demands of the chauvinists were useful to keep the Malays in check, but soon the moderates became the victims of their own strategy. To retain their influence they had to fall in line with the chauvinists" (*The Malay Dilemma* (Singapore, 1970) p. 13).

[55] See K.J. Ratnam, *Communalism and the Political Process in Malaya* (Kuala Lumpur, 1965), pp. 66-101, for an account of the development of citizenship regulations.

[56] Vasil, op. cit., p. 17; Lim San Kok, op. cit., pp. 37-8; Wan Mong-Sing, op. cit., pp. 116-18.

[57] Quoted in Ratnam, op. cit., pp. 163-4.

was forced to oppose a shift in the political balance, and it split the MCA.

In 1958 a new group of MCA leaders were elected into office who were determined to fight for Chinese interests more vigorously and to take a tougher stand with UMNO.[58] In 1959 the new MCA leadership pushed for more liberal policies on language and education and sought more candidacies for the coming parliamentary elections. Meanwhile, UMNO disapproval of the new MCA leadership and its chauvinistic line resulted in a breakdown of communications. The MCA leadership found itself by-passed on Alliance matters when UMNO leaders consulted directly with the "out" group of MCA leaders who were in the Cabinet.

The crisis broke open when a confidential letter from Dr Lim Chong Eu to the Tunku, strongly requesting additional candidacies for the MCA, was made public.[59] Once publicly pressured, the UMNO would not consider the demands of the MCA. The Tunku replied that the letter was a "stab in the back" and stated, "It is obvious that your intention is to break from the Alliance and it offers me and others no room for discussion, particularly as you have made the terms of your demands public and unequivocal."[60] For the MCA to remain in the Alliance, the Tunku required the withdrawal of all its demands, the purge of certain chauvinists, and the authority to personally select all MCA candidates in the coming parliamentary elections.[61] On 12 July, the MCA Central General Committee voted 89-60 to accept the Tunku's terms and remain in the Alliance.[62] A number of the new

[58] See Chan Heng Chee, op. cit., pp. 91-109; Roy H. Haas, "The MCA, 1958-1959: An Analysis of Differing Conceptions of the Malayan Chinese Role in Independent Malaya" (M.A. Thesis, Northern Illinois University, 1967), *passim*.

[59] Dr Lim used the argument that the fears of the Chinese community had been heightened by the recent electoral success of PAS in Kelantan and Trengganu, and could only be alleviated by giving the MCA enough seats to deny the Malays the two-thirds majority in Parliament necessary to change the Constitution. The UMNO, on the other hand, did not want to turn over any extra constituencies to the MCA because of the threat from PAS. Tun Tan Siew Sin saw the point that the Government could do a number of things to get its way without changing the Constitution, and that MCA would not be gaining much protection if it had 40 seats but was out of the Government.

[60] Quoted in Chan Heng Chee, op. cit., p. 104, from the *Straits Times*, 11 July 1959.

[61] Moore, op. cit., p. 300.

[62] See R.K. Vasil, *The Malaysian General Election of 1969* (Singapore, 1967), p. 5, referring to the *MCA Minutes of Central General Committee Meeting, 12 July 1959*, p. 17.

leaders and their followers quit the party, complaining that it had signed a blank cheque to UMNO, and Dr Lim resigned later in the year. Although the crisis was resolved and the Alliance was saved, the MCA, by responding to Chinese demands in order to enhance its image and to thwart outbidders, ended by losing more prestige among the Chinese and some seats to Chinese Independents in the 1959 elections.

In 1964-65 the incursion of Lee Kuan Yew's People's Action Party (PAP) in the politics of Peninsular Malaysia precipitated a crisis which resulted in Singapore's expulsion from the Federation in August 1965.[63] The PAP's style of politics, its challenge to the "bargain" through its "Malaysian Malaysia" theme, its objection to exclusion from the decision-making centre and desire for a coalition or to replace the MCA in the Alliance, led to heightened political tension which put great strains on the Alliance.

Both the MCA and the UMNO were caught in difficult positions and were seriously cross-pressured. The MCA feared that the PAP and Mr Lee's racial mathematics would alarm the Malays and consequently threaten the position of UMNO's moderate leadership.[64] On the other hand, the MCA felt it was necessary to press Chinese claims more vigorously within the Alliance in order to compete with the PAP for the support of the Chinese community. The PAP had effectively stirred up the Chinese community, especially those young Chinese who could not easily identify with the "bargain". Before then, "many Chinese shared to some extent the view that, of the various ethnic groups in Malaya, the Malays should—by virtue of their indigenousness—be *primus inter pares* [first among equals] in the political system".[65] The racial equality theme of the PAP, and its apparent logic, opened up a whole new perspective, and stirred up old fears.

The UMNO openly defended the MCA against the PAP and publicly stated that it would not accept the PAP as a partner in the Alliance. The Tunku wanted the UMNO to make some concessions to the MCA to bolster it, but this "the rank and file were not prepared to

[63] See pp. 73-6.

[64] See Enloe, op. cit., p. 128.

[65] Donald L. Horowitz, "Multi-racial Politics in the New States: Toward a Theory of Conflict" (paper prepared for delivery at the 65th Annual Meeting of the American Political Science Association, New York City, 2-6 September 1969 (mimeo.)), p. 5.

do''.[66] Meanwhile the ''ultras'' within the UMNO, sensing the fears of the Malay community and the growing popularity of the more extreme opposition Malay party, PAS, demanded stronger action to protect Malay rights and claims and less attention to defending the MCA.

Although the issue seemed resolved when Singapore was cut out of the Federation,[67] the ultras within UMNO had gained an audience, and the Tunku's leadership, while in no danger, was no longer entirely unquestioned. The MCA had only a brief respite, because while the Singapore PAP was effectively severed from the Federation, the ''Malaysian Malaysia'' theme was *not,* and it was to be continued by the Federation version of the PAP, the Democratic Action Party (DAP), as mentioned later.

Another controversy developed in 1965, over language. Whereas the Chinese had benefited immediately from the citizenship provisions worked out in the bargain, the proclamation of Malay as the sole official language, also part of the bargain, was deferred for ten years from the date of Independence. With the due date approaching, agitation began over the terms the language legislation would take. The MCA Youth joined the various Chinese guilds and associations and Chinese teachers' associations in urging the Government to provide for a wider use of the Chinese language, even to make it an official language, and for more assistance for Chinese education.[68] This move was countered by the formation (first in July 1964) of a National Language Action Front, determined to secure the full implementation of the language agreement.[69] The UMNO Youth also spoke out, favouring a review of the constitutional provisions

[66] Mahathir bin Mohamad, ''Problems of Democratic Nation-Building in Malaysia'', op. cit., p. 12.

[67] The ultras in UMNO were unhappy with this solution, preferring instead repressive governmental action against the PAP, and possibly even putting Lee Kuan Yew in jail. The Tunku thought that this solution would lead to bloodshed. Devan Nair, then of the PAP, said in Parliament on 9 August 1965: ''We know that these ultras exist within the Alliance. Everybody knows that. It is an open secret—one of the most open secrets in our country. The Honourable Prime Minister himself . . . admitted that there were a few loony bins in his Party'' (''A Wrench in the Heart'', *Who Lives if Malaysia Dies?* (Petaling Jaya, 1969), p. 10).

[68] See the following *Straits Times* of 1965: 2 August, 6 August, 18 August, 30 August, 4 September, 8 September and 16 September.

[69] Tan Sri Syed Nasir pointed out that language was part of the constitutional agreement, and added that: ''They know that there is no hope of retreat from that compromise.'' (*Straits Times*, 13 September 1965.)

granting citizenship to non-Malays if the demand for Chinese to be made an official language continued.[70]

Sensing the danger, the President of the MCA warned that it would take a constitutional amendment to make Chinese an official language, and this was impossible. "If the MCA does not back this demand, then those who are behind this agitation will start a whispering campaign to the effect that the MCA does not care about Chinese rights and interests," he said. "If, on the other hand, the MCA backs this demand there will be a head-on collision with UMNO and this will mean the end of the Alliance."[71]

In early September, a top level Alliance Action Committee was formed to discuss the issue of language, as well as the Malaysian Malaysia concept and the relationship of the constituent parties in the Alliance.[72] After this the issue settled down to a quiet but steady drone until the National Language Bill of 1967 was presented to Parliament. Although there was no consideration of Chinese becoming an official language, the Bill represented a compromise, allowing the use of English translations in certain spheres of government, and the MCA leadership felt relieved and grateful.[73] However, the Malay community on the whole felt the compromises were a betrayal. In February and March there were Malay protests and demonstrations, and the ultras within UMNO gained many sympathizers.[74] Although the language issue, which some observers had long thought might result in bloodshed, was settled peacefully, the compromise weakened the Tunku's position and he was "never again the unchallenged leader" of the Malay community.[75]

The elections of 1969 (analyzed further on in this chapter), which were followed by the May 13th riots, represented the culmination, and the peak, of unbridled outbidding in the Malaysian political system.[76]

[70] *Straits Times,* 16 September 1965.

[71] Ibid., 2 August 1965.

[72] "Malaysian 21-Man Talks Agenda", by Samad Mahadi, ibid., 3 September 1965.

[73] See von Vorys, op. cit., pp. 200-10.

[74] There appear to have been two groups of ultras in UMNO then. There was the group of old-time ultras actively involved in the language issue, and a smaller new group of so-called ultras unhappy about the Government's economic programme and inadequate help being afforded the Malays. This latter group was sympathetic but not so actively involved in the language controversy.

[75] Vasil, *The Malaysian General Election of 1969,* op. cit., p. 15.

[76] See pp. 78-9.

After the riots, the rules of the political game were altered, and the sensitive issues which were so amenable to outbidding were proscribed from the political market.

The Opposition Parties

In February 1954, following the demise of the IMP, Dato Onn founded the Party Negara (PN). Unlike his previous attempts at a multi-racial approach, the PN became a Malay communal party and sought to become the champion of Malay rights.[77] The PN's support consisted nearly entirely of old IMP members, although it did not carry all of them, losing, for instance, MIC support. The PN first contested the 1954 Johore state elections when all eleven of its candidates lost badly. By 1959, it was essentially a one-state (Trengganu) party with Dato Onn its only successful candidate. The party was built around the personality of Dato Onn and could not hope to survive its founder for long; he died in 1962 and although the PN contested the 1964 elections, all its candidates lost and the party faded away.

The historical roots of Partai Islam Se Malaysia, or PAS (its Malay-Arabic acronym)[78] can be traced back to several sources, linked by Islam and Malay nationalism. In February 1950 in Johore Bahru, at an UMNO-sponsored meeting of Islamic leaders, a decision was taken to form a body within UMNO called the Persatuan Ulama Sa-Malaya (Association of the Religiously Learned of Malaya).[79] This group, its ties with UMNO lessened by the split of Dato Onn from the party, then combined with another group at its third meeting in Kepala Batas, Penang, in 1951. The new group consisted of elements of the Hizbul Muslimin (Islamic Brotherhood) who, although they

[77] The PN labelled itself as an "all-community party", however. See Vasil, *Politics in a Plural Society,* op. cit., p. 82. Ratnam and Milne point out that the PN had no strong religious bias nor intense hostility towards non-Malays (op. cit., p. 55).

[78] On 22 June 1971 PAS changed its name from Persatuan Islam Se-Tanah Melayu to Partai Islam Se Malaysia. However, as Secretary-General Encik Baharuddin said: ". . . we will continue with our well-known abbreviation, PAS" (*Straits Times* (Malaysia), 16 June 1971). In the past the party was often called the PMIP; however, now it is most commonly referred to as PAS. UMNO, on the other hand, in December 1970, decided against using the Malay abbreviation PKMB (Pertubohan Kebangsaan Melayu Bersatu) because of the fame and popularity of the English abbreviation (*Sarawak Tribune,* 6 December 1970).

[79] Y. Mansoor Marican, "The Political Accommodation of Primordial Parties: The DMK (India) and the PAS (Malaysia)" (Ph.D Thesis, University of British Columbia, 1976), p. 35.

had no formal organization, managed to dominate the meeting.[80] The Hizbul Muslimin, formerly known as the Majlis Islam Tertinggi (Supreme Islamic Council), was an affiliate of the radical Malay nationalist party, PKMM, which disbanded in 1948 before it was proscribed. The third source of the PAS was not linked to it until 1956, when the new President, Dr Burhanuddin Al-Helmy, brought to the party some of the old supporters of the MNP.[81]

At the Kepala Batas meeting, the members decided to change the name of the organization to PAS,[82] to remain as a purely religious and Islamic welfare movement, and to allow its members to support any political party. However, this policy was changed in 1954 when it was resolved that members could not join other political organizations. In mid-1954 the President, Ahmad Fuad, resigned when he could not get PAS to follow Dato Onn. By 1955, disillusioned and angry at UMNO's concessions to the non-Malays, especially over *jus soli,* PAS decided to become a political party in order to protect Malay rights, and the day before the closing day of nominations for the 1955 federal elections, it became officially registered as a party.[83]

From the beginning, PAS was an Islamic-religious and Malay-communal party. The key to its belief system was that "Malaya belongs to the Malays", and its basic tenets were combined in its slogan: *bangsa* (race), *ugama* (religion), and *tanah Melayu* (land of the Malays).[84] In specific terms the party was staunchly Malay nationalist while in more symbolic and ideological terms the party combined Islamic modernist traditions with elements of socialism. Islam served as the unifying force of the party.

[80] Chandrasekaran Pillay, "Protection of the Malay Community: A Study of UMNO's Position and Opposition Attitudes" (M.S.S. Thesis, Universiti Sains Malaysia, 1974), pp. 186-92.

[81] For information on the MNP and other radical Malay nationalist groups, see Means, op. cit., pp. 88-93, and Marican, op. cit., pp. 31-4.

[82] The original English name was Pan-Malayan Islamic Association (PMIA).

[83] Both Pillay, op. cit., pp. 191-2, and Marican, op. cit., p. 43, make the point that it was UMNO concessions to the non-Malays that drove the PAS into the political arena.

[84] See Pillay, op. cit., pp. 186, 222 and Marican, op. cit., pp. 58-68, for details on the assertions of PAS that "Melayu" was a nationality and that the Malays owned the nation. In Marican, see details of the PAS memorandum to the Reid Commission and Dr Burhanuddin's booklet, *The Philosophy of Malay Nationalism,* published by PAS in 1955. Also see Dato Asri, "Malay as a Nation", *Opinion,* Vol. 1, No. 4 (1967), p. 40; *Straits Times,* 2 October 1962; *Sunday Mail,* 7 October 1962.

At a 1954 General Assembly the party resolved to seek Independence and to secure the aims of Islam. From 1956, under Dr Burhanuddin, the demands of PAS increased. It now sought a theocratic state (though this remained a concept more than a blueprint), Malay as the only official language and nationality, recognition and extension of Malay rights, restrictions on citizenship of non-Malays and curtailment of non-Malay immigration, and the elimination of foreign military and economic influences.

Although PAS began as a west coast movement of religious elites and radical Malay nationalists, it spread rapidly to the largely Malay-populated east coast states of Kelantan and Trengganu, where it enlisted the support of returned pilgrims, dissident UMNO members, and some residual MNP strength, as well as a stratum of Malay- and Arabic-educated and religious sub-elites. Further, it found popularity among the rural Malays with its unambiguous themes of Malay poverty and the "lost" sovereignty of the Malays, all as a result of what they termed as UMNO subservience in the Alliance.[85]

The formal organization of PAS is not as elaborate as would appear from the party's Constitution. The basic unit is the sub-branch, followed by the branch, which is represented directly at the annual General Assembly. At the state level there are State Liaison Commissioners, appointed by the President on the advice of the National Executive Committee, who are the most important party representatives at that level. The Commissioner can in turn establish a State Executive Committee. Nationally, the supreme policy-making authority is the General Assembly, though in fact most of the power is exercised by the National Executive Committee, elected by the General Assembly. At the top of the hierarchy are the President, Deputy-President and the Vice-Presidents of the party. Formally

[85] Clive S. Kessler has properly called attention to some neglected features of PAS's appeal and sources of strength ("Islam, Society and Political Behaviour: Some Comparative Implications of the Malay Case", *The British Journal of Sociology*, Vol. XXIII, No. 1 (1972), pp. 33-50. In particular he stresses the conflicts in Malay society there, arising from the small number of Chinese and the prevalence of Malay rural landowners. However, some of his political interpretations seem not proven. To be sure, several PAS proposals, on nationalization, for instance, were radical, though vague. However, socially, the party was profoundly conservative, not by comparison with some Islamic movements in other countries, but compared with the only other relevant Malay party in Malaysia, UMNO. Whatever speculations may be advanced about the determinants of the support which PAS received, its overt campaigning was largely via religious teachers and religious themes (Ratnam and Milne, op. cit., pp. 120-4, 169-70, 234-6).

integrated into the party hierarchy are three wings, Dewan Pemuda (Youth), Dewan Muslimat (Women), and Dewan Ulama (Religious Scholars). These wings have not been very important except at election time, although recently the Youth wing has become more active.

In its policy decisions the party is subject to and guided by the Quran as the highest rule, and by a belief that all answers can be derived from it. Decisions within the party follow an Islamic tradition which calls for full consultation on all subjects, but do not bind the President to any decision reached as a result of consultation. Thus, while it is hoped that consensus will emerge through consultation, the President can act unilaterally if he so chooses.[86]

The party organization of PAS has tended, in fact, to be rather weak.[87] The state organizations are not tightly controlled and co-ordination of party activities from the centre has been minimal. However, as a populist-type party, PAS has always depended more on the grass-roots support of non-card-carrying members than on its formal organization.

There was a shift in the centre of power to the east coast after PAS won the state elections in Kelantan and Trengganu in 1959. Although PAS lost Trengganu in 1961 when a rift developed over who should hold the post of Mentri Besar and the UMNO was able to woo enough PAS members to cross the floor, the party retained the Kelantan State Government. Kelantan developed into the focal point of PAS activities, and holding on to power in the state became the party's chief objective. After Datuk Asri bin Haji Muda became the Mentri Besar in Kelantan in 1964, and then *de facto* President of PAS after Dr Burhanuddin's arrest in 1965, before being elected to the post, power and purpose in the party coincided. The shift represented some subtle changes in PAS policy, away from a pan-Indonesian orientation and overt socialism towards a more purely Malay nationalist approach, and a desire for Malay unity.[88] Its tactics and strategies were designed

[86] For example, it was reported that Datuk Asri's decision to support the exit of Singapore was taken against the wishes of the National Executive.

[87] Ratnam and Milne, op. cit., p. 50.

[88] The struggle within Kelantan between PAS and UMNO was intense, however, and affected state and federal relations. See ch. 6. For a history of political and socio-economic conditions in Kelantan, see Clive S. Kessler, "Muslim Identity and Political Behaviour in Kelantan", *Kelantan: Religion, Society and Politics in a Malay State,* W.R. Roff, ed. (Kuala Lumpur, 1974).

to hold the power it had, and if possible to increase its power potential in the states of Trengganu, Kedah, Perlis, and Perak. But as long as PAS concentrated on regional Malay grievances and continued to be uncompromising towards the non-Malays, it could never hope to secure enough support to come to power at the federal level.[89]

The other Malay-based party of importance is Partai Rakyat (later reorganized and renamed Partai Sosialis Rakyat Malaysia).[90] The PR was formed in November 1955 by ex-MNP member Encik Ahmad Boestamam as a multi-racial but Malay-dominated party whose influence was concentrated in the west coast states of Perak, Penang and Selangor, and supported primarily by Malay socialists. Its ideology was based on an Indonesian brand of socialism known as "marhaenism", which sought to upgrade the role of the peasant. Put into local terms this resulted in an ideological mixture of Malay nationalism, radical agrarian socialism, large-scale nationalization of industries, and principles of egalitarianism.[91]

The formal party organization of the PR had branches as the basic unit, state divisions, a Working Committee elected by the annual Congress, and a Party Council as the supreme policy-making body. In 1957 the PR joined the Labour Party in a coalition called the Socialist Front, as discussed below.

The predominantly Chinese Labour Party was first formed as the Pan-Malayan Labour Party in 1952 by the amalgamation of several state labour organizations.[92] In October 1955, at its Delegates Conference, the party officially changed its name to the Labour Party of Malaya (LP) and reorganized around a new centralized Constitution. The LP began as a moderate multi-racial socialist party modelled after the British Labour Party, calling for some public ownership, ex-

[89] See Ratnam and Milne, op. cit., p. 51.

[90] There were some other Malay-based parties which, however, assumed little importance and which did not survive long. They included the National Convention Party of Encik Abdul Aziz Ishak which joined the Socialist Front in 1963, and the earlier (1954) National Association of Perak which was the creation of Dato Panglima Bukit Gantang (Vasil, *Politics in a Plural Society,* op. cit., pp. 269-86). There was also a minor non-Malay party, the Malayan Party, formed in 1956, which was the one-man organization of Tan Kee Gak of Malacca.

[91] See ibid., pp. 169-80 for a detailed account of PR ideology and policies. Also see Nancy L. Snider, "Communalism and the Breakdown of Malayan Parliamentary Democracy" (Ph.D. Thesis, University of California, 1972), pp. 125-8.

[92] Ibid., pp. 130-6; Vasil, *Politics in a Plural Society,* op. cit., pp. 93-109.

panded government welfare programmes, and the creation of cooperatives. Within the party there was a moderate wing, composed primarily of English-educated Chinese and Indians, with strong trade union ties, and a radical chauvinistic wing of primarily Chinese-educated Chinese who espoused a more revolutionary socialist line. By the mid-1960s the chauvinists had gained control of the party and by the late-1960s most of the moderate wing had left the party.

Organizationally, branches constituted the basic unit in the LP, with divisions representing the state level. At the national level there was a National Executive Council, elected at the LP's annual conference, and a National Working Committee which was responsible for most of the administrative work.[93]

The LP boycotted the 1969 elections and in September 1972 the party was deregistered by the Registrar of Societies.[94]

The Malayan People's Socialist Front (SF) was established on 31 August 1957 with a pact between PR and LP which was ratified at the first SF Congress in October 1958.[95] The coalition lasted until late 1965. Although ideology helped provide some internal accord, the SF was never able to find a workable answer to how socialism could be applied in a country where communalism was more important than class.

The SF was structured as a loosely organized coordinating body. Each party kept its individual identity and resisted strengthening the SF organization. Coordination began at the state level with a State Liaison Committee, and at the national level with a Congress, National Council, and a Secretariat. As its policy, the SF advocated a three-step programme to complete socialization. It tried to compromise on communal issues, and came out against special rights for Malays but for Malay as the National Language with the free use of the other languages. Most of the PR supported the LP radical wing on economic issues, but the two parties remained opposed over the issue of the supremacy of the Malay language.[96]

There were three basic problems which finally led to the demise of

[93] Ratnam and Milne, op. cit., pp. 44-5.

[94] *Straits Times* (Malaysia), 31 March and 7 September 1972.

[95] In 1964 the National Convention Party joined the SF. See Vasil, *Politics in a Plural Society*, op. cit., pp. 213-14, 217, 277-86. For details on the history and organization of the SF see Moore, op. cit., pp. 262-77.

[96] Snider, op. cit., p. 143.

the SF. First, the SF never became accepted generally as a "respectable" party.[97] Its radical socialism was often equated with communism, and periodic allegations by the Government of MCP infiltration into the SF as well as a number of arrests of SF members helped reinforce this image. Second, the PR could not generate any support from among the rural Malays. Third, there were internal rifts over financing, candidacies, and policy on communal issues, especially language and Islam, which were aggravated by the PR's lack of electoral support and the ascendancy of the radicals in the LP.

A poor performance for the SF in the 1964 elections, in terms of seats won,[98] with the PR completely defeated, led to its collapse in 1965 when the PR opted to leave the coalition.[99] In December 1966 the LP disassociated itself from the SF and later talk of reviving the SF never came to pass.

Two Ceylonese-Tamil brothers, D.R. and S.P. Seenivasagam, founded the Perak Progressive Party in January 1953 as a regional party to contest state and town council elections.[100] The party stressed its non-communal orientation and in December 1953 it agreed to join the UMNO-MCA Alliance. In 1954 D.R. Seenivasagam won a seat on the Ipoh Town Council as a joint UMNO-MCA-PPP candidate, but in early 1955 the PPP decided to leave the Alliance when D.R. Seenivasagam was not selected as a candidate for the coming federal elections. The PPP ran two candidates in the federal elections and later in the state elections, on a moderate and non-communal party platform. The candidates lost badly and this led to a basic re-thinking of the party's policies. In 1956, along with a change of name to People's Progressive Party, the PPP began championing the cause of the non-Malays. The Menglembu by-election win of D.R. Seenivasagam in November 1957 and the party's subsequent victories in the December 1958 Ipoh Town Council elections, which gave the

[97] Ratnam and Milne, op. cit., p. 48.

[98] The SF actually increased its total percentage of votes from 12.9 per cent to 16.0 per cent, but won fewer seats. It has to be taken into consideration that the SF ran a vastly increased number of candidates in 1964. See Means, *Malaysian Politics,* op. cit., p. 338, for a chart comparing the 1959 and 1964 election results.

[99] Snider writes that probably the "most influential" factor in the PR decision was the shift in the MCP line in 1965 back to support for multi-lingualism and racial equality (op. cit., pp. 153-4).

[100] See Vasil, *Politics in a Plural Society,* op. cit., pp. 222-48, for a detailed history of the PPP.

PPP control of the Council, confirmed the party on its policy direction.

Ideologically, the PPP combined moderate socialism with advocacy of political and socio-economic equality. It opposed special rights, favoured multi-lingualism, and championed Chinese and Tamil education. Its strength was concentrated in the Ipoh area and in the Chinese New Villages in Perak. Only half-hearted attempts were made to expand the party beyond this base, and these were largely unsuccessful. The majority of its supporters were Chinese, mostly of the working class, but also including some of the wealthiest capitalists in the Ipoh vicinity. PPP support was derived not only from its support of non-Malay causes, but also came as a result of its reputation for efficient administration of the Ipoh Town Council (later Ipoh Municipality), and from the personal following of the two brothers, built up partly as a result of the extensive free legal service they provided.

The party was controlled at the top by the two brothers and formal organization was minimal, consisting of an annual meeting where officers were elected to the General Committee, which determined policy. From the beginning there existed serious friction within the membership between the Chinese and the Tamils.

The PPP began to grow lethargic in the 1960s, concentrating on the activities of the Ipoh Council and trying to contain intense internal factionalism. In 1969, just before the elections, D.R. Seenivasagam died suddenly. Leadership of the PPP was continued by his brother, S.P. Seenivasagam, who had concentrated mainly on the running of the Ipoh Council, and the PPP, largely as a result of electoral alliances, did well in the elections. However, it was commonly acknowledged that the death of D.R. Seenivasagam had deprived the party of its chief political force.

In April 1962 Dr Lim Chong Eu made his political comeback when he and Too Joon Hing, supported by a number of ex-MCA members, formed the United Democratic Party (UDP). Between the date of formation and the first Central Assembly in April 1963 there was little party activity. During that year few branches had been set up and large-scale support had not been forthcoming. Already the party was split over policy orientation between Dr Lim Chong Eu's moderate wing and Chin See Yin's more radical Seremban wing. When the moderates gained power at the Assembly, the radicals quit the party.

The party called for national democratic socialism and an egalitarian society, and it supported Malay special rights and Malay as

the sole official language, but opposed the Alliance Government's education policies. It accepted the formation of Malaysia as an accomplished fact. Although the UDP tried to project a multi-racial image, it was generally regarded as a Chinese party and its Malay members were unable to gain any support in their own community.[101]

The only parliamentary seat won by the UDP in the 1964 elections was by Dr Lim in Penang. The party then languished until Dr Lim dissolved it in 1968 as a step towards establishing a new party, the Gerakan Rakyat Malaysia.

After the Penang riots in 1967 the moderate members of the LP began leaving the party *en masse*. Dr Lim Chong Eu saw the opportunity to form a new national non-communal political party with this detached group. In February 1968 he started discussions with this group and with some academic intellectuals, and by 25 March 1968 they announced the formation of Gerakan Rakyat Malaysia.[102] The Gerakan thus combined three groups: Dr Lim Chong Eu and the former UDP members, Dr Tan Chee Khoon and the ex-LP members, and Professor Syed Hussein Alatas and an anti-corruption intellectual group. Special efforts were made to attract more trade union leaders, but this took place only after the official proclamation of the party.[103]

The ideological orientation and policy programme of the Gerakan was announced on 15 April 1968. The party supported non-communalism, moderate socialism, and democracy. It recognized the special rights of Malays, sought compromises on the issues of language and education, but wanted to preserve Chinese and Tamil secondary education. There was an attempt to integrate the ideals of the LP and the UDP.[104] The founders of the party also stated that they were convinced that the Alliance would never be able to accomplish the national integration of the various Malaysian com-

[101] Ratnam and Milne, op. cit., p. 52. The President of the UDP was a Malay and 8 of the party's 27 parliamentary candidates in 1964 were Malays.

[102] Ho Sooi Beng, "The Gerakan Rakyat Malaysia—An Investigation Into the Break-up of a Malaysian Non-Communal Political Party" (Graduation Exercise, University of Malaya, August 1972), pp. 12-15. The Gerakan was approved by the Registrar of Societies on 25 May 1968. During the formation discussions, the DAP and PPP had also been consulted but were not interested in amalgamation into a new party. Also, the DAP wanted nothing to do with the ex-LP people.

[103] Ibid., p. 14.

[104] Md. Aris Ariffin, "Coalition Government in Penang" (Graduation Exercise, University of Malaya, August 1973), p. 13.

munities.[105] Despite Gerakan's non-communal efforts, including naming Professor Syed Hussein Alatas as party Chairman and with five Malays on the sixteen-member *pro tem* committee, the party was regarded as basically a Chinese party, and it derived its support primarily from the non-Malays.

The Gerakan immediately set to work preparing to contest the 1969 elections. The party lacked organization and finances except for Penang where former UDP branches were simply re-registered. Just before the elections total membership was estimated at only 1400, with 43 branches established in mostly non-Malay urban areas.[106]

Organizationally, membership was differentiated between "life" members and "ordinary" members, which helped secure the leadership positions of the founder members. At the top was a National Central Executive Committee, and within that the Central Working Committee, which was the supreme policy-making body. A Biennial Delegates Conference was scheduled for 1970 but was not held because of the Emergency.

In 1964-65 the People's Action Party (PAP) of Singapore challenged the Alliance both in terms of the governing political arrangement and in terms of the "bargain". In 1964 it contested the Peninsular Malaysian elections in a move designed to show the weakness of the MCA.[107] The PAP sought to either replace the MCA within the Alliance or effect a coalition between the Alliance and the PAP.[108] When the UMNO flatly refused all PAP suggestions, the PAP in May 1965 sponsored a Malaysian Solidarity Convention of five opposition parties with the hope of creating a vehicle for forcing a fundamental realignment of political power on a pan-Malaysian basis.[109] Finally, the PAP espoused a theme of racial equality and called for a "Malaysian Malaysia", which was offered as an alter-

[105] Nancy L. Snider, "What Happened in Penang?", *Asian Survey,* Vol. VIII, No. 12 (1968), p. 971.

[106] Ho Sooi Beng, op. cit., p. 20.

[107] In 1963 Lee Kuan Yew said that the PAP would not contest the elections on the mainland (*Straits Times,* 10 September 1963). Certainly the Alliance was surprised by the PAP's decision to contest in 1964, and the Tunku felt that Lee Kuan Yew had betrayed an agreement between them (pp. 139-40).

[108] Mohamed Noordin Sopiee, op. cit., p. 195.

[109] Means, *Malaysian Politics,* op. cit., pp. 345-7.

native nation-building formula to the Alliance's bargain.[110]

In August 1965 the highly emotionally charged situation of confrontation between the PAP and the Alliance, especially the UMNO, was relieved when Singapore was separated from the Federation.[111] However, the non-Malays had been stirred by the intrusion of the PAP and the "Malaysian Malaysia" theme and were no longer so reconciled to the agreements reached by the Alliance before Independence.[112] Within the Federation the remnants of the PAP were prepared to reorganize and continue the battle.

On 9 September 1965, after the Registrar of Societies had served notice to the PAP Headquarters in Kuala Lumpur, the party was deregistered. The next day Devan Nair, the only PAP member elected to Parliament in Peninsular Malaysia, applied for registration of a new party to be called the PAP: this was rejected by the Registrar. After more applications and delays, the application for a new party, with a new name and symbol, was finally accepted, and on 19 March 1966 the Democratic Action Party (DAP) was registered.[113]

The DAP's manifesto was set out in its Setapak Declaration of 29 July 1967.[114] The party's aim was to establish by constitutional means a non-racial democratic socialist pattern of society in Malaysia.[115] Ideologically, the DAP looked at communal cleavages in class terms. It believed that, at root, communal divisions were the result of economic imbalances between the communities, and charged that the Alliance Government had been negligent in this area. The DAP supported racial equality and the concept of a "Malaysian Malaysia" and opposed any racial hegemony. The party was willing to make minimal concessions, namely accepting Malay as the National

[110] Derek Davies was to write later that the "advocates of a 'Malaysian Malaysia' sound very reasonable and liberal in theory, until the realities of the cultural and racial divisions within Malaysia are remembered" ("Some of Our Best Friends . . .", *Far Eastern Economic Review,* 26 June 1969, p. 702).

[111] See pp. 73-6.

[112] See Wang Gungwu, "Chinese Politics in Malaya", *The China Quarterly,* No. 43 (1970), pp. 1-30.

[113] Dr Lim Chong Eu and D.R. Seenivasagam supported the application and objected to the delays. For details of the establishment of the DAP, see Hans H. Indorf, op. cit., pp. 390-1.

[114] *Who Lives If Malaysia Dies?,* op. cit., pp. 17-30; *Sunday Times,* 30 July 1967.

[115] Snider, "Communalism and the Breakdown of Malayan Parliamentary Democracy", op. cit., p. 204.

Language as long as the other languages were not suppressed, and accepting Malay special rights if they were not abused and if they could be geared to helping rural Malays rather than creating an elite Malay capitalist class. However, the DAP opposed the Government's education policy as a violation of constitutional guarantees. The party felt obliged, at this point, to support internal security legislation, because the ISA had been used extensively and effectively by the PAP in Singapore, but urged vigilance in its exercise.

The DAP is organized at the base by branches, each with its own set of officers. At the top the party's executive body is the Central Executive Committee, which is elected by the National Triennal Delegates Congress. The most prominent position in the party is that of Secretary-General. The other positions within the Central Executive Committee include the Chairman, two Vice-Chairmen, two Deputy Secretary-Generals, other national officers, and five committee members. The DAP has two wings, DAP Youth and Wanita DAP. Neither wing has played a significant role in the party, but the Youth now holds its own National Convention and has been becoming increasingly active. Within the national organization, political areas and subjects are divided into bureaux and sub-committees. In 1970 the party began holding National Seminars for DAP Members of Parliament and State Legislative Assemblymen to discuss both DAP policy and the party's legislative position.

The DAP has attempted to project a multi-racial image but control of the party is in Chinese hands and support for the party comes primarily from urban working-class Chinese. The DAP has rapidly become the strongest non-Malay-based opposition party to emerge on the Peninsular Malaysian scene, with a committed cadre of officials and supporters and an efficient and active party organization. The MCA was a natural target for the DAP, but the party was also suspicious of other non-Malay parties and was antagonistic towards the LP. The Alliance found it difficult to counter the appeal of the DAP, especially since it could not accuse the DAP of communist subversion, given the record of the PAP in fighting opposition with communist leanings. Also, the DAP had emerged at a time when Chinese confidence in the MCA was particularly low and many young Chinese were disillusioned with the system.[116]

By the time of the 1969 elections, the DAP had severed most of its emotional links with the PAP and had moved away from the position

[116] Wang Gungwu, op. cit., p. 25.

of the PAP on some issues. Vasil writes that the leaders believed that it was best for the party to project itself as the champion of non-Malay interests because it would be impossible in the short-run to attract the support of many Malays anyway. Only after the solid support of the non-Malays was secured could the attempt to attract Malay support be fruitful.[117]

Elections in Malaya (Peninsular Malaysia)

The Alliance came into the July 1955 Legislative Council elections from a position of strength. The party organization, recently enlarged with the addition of the MIC, was sound, the party was identified with the effort to achieve Independence, and the Alliance had accumulated a string of municipal and state election victories. The Alliance manifesto, spelt out in *Menuju Kearah Kemerdekaan* (*The Road to Independence*), called for "Merdeka" in four years and Malayanization of the civil service, among other things.[118] There was no agreement on citizenship so the issue was avoided, but amnesty for the communist guerillas became an important plank during the campaign.

The biggest problem facing the Alliance was the allocation of seats for the component parties. The registered electorate was approximately 84 per cent Malay, 11 per cent Chinese, and less than 5 per cent Indian.[119] Delegates at the UMNO General Assembly in June 1955 wanted 90 per cent Malay candidates and the Tunku had to threaten to resign before the allocation was settled at UMNO—35, MCA—15, and MIC—2.

Party Negara was still strong in Legislative Councils but lacked solid party organization, and was saddled with the image of an entrenched, rather pro-British, elite favouring a slow pace towards Independence. The PN, with 30 candidates, had a communal platform, calling for immigration restrictions and accusing UMNO of betraying the Malays. The newly-registered PAS, fielding 11 candidates, had a similar platform, charging that the immigrant communities were endangering the rights of the sons of the soil. PAS and PN reached an informal election agreement to support each

[117] Vasil, *Politics in a Plural Society,* op. cit., pp. 301-3.

[118] Means, *Malaysia Politics,* op. cit., p. 164.

[119] Francis G. Carnell, "The Malayan Elections", *Pacific Affairs,* Vol. XXVIII, No. 4 (1955), p. 316; Ratnam, op. cit., p. 186.

other's candidates. There was an assortment of other minor Malay parties which participated in the elections as well as the non-Malay PPP and LP, but none of these played an important role.

The election results gave the Alliance a massive mandate with over 81 per cent of the vote and 51 of 52 seats.[120] After that, with the Alliance so dominant, federal elections were almost more like referenda than decisions on which party should govern.

The August 1959 federal elections was the first for a fully-elected Dewan Rakyat (Parliament) of 104 seats, and the elections took place in a different climate since the euphoria of Merdeka had worn off. Also, mostly as a result of the liberalization of citizenship in the 1957 Constitution, there were now seven times as many Chinese eligible to vote.[121]

State elections preceded the federal one, and surprisingly PAS captured the State Governments of Kelantan and Trengganu, winning 28 of 30 and 13 of 24 state seats, respectively. There were some explanations for the PAS victories in these two heavily Malay-populated states that had nothing to do with Alliance policies,[122] but still UMNO leaders were concerned about the appeal of an uncompromising Malay communal party and felt pressured to move in the direction of PAS demands.

Consequently, UMNO was in no mood for concessions over seats or their education policy when the MCA crisis broke open as described earlier. The Alliance was saved when the Tunku's ultimatums were met, but the MCA was split and had to contest the elections in a weakened state. Even before the crisis, trouble was anticipated in the urban areas because of the Government's policies on Chinese education.

The Alliance campaigned as the government party, mainly on the

[120] The one loss was to a PAS candidate standing in the Krian district of Perak. The Legislative Council had a total of 98 seats of which 52 were elective.

[121] Means, *Malaysian Politics,* op. cit., p. 252. The percentage of voters, by community, was now: Malays—56.8 per cent; Chinese—35.6 per cent; Indians—7.4 per cent; and Others—0.2 per cent.

[122] In Kelantan PAS was able to tap the support of the common people who were resentful of the office-holding regime with which UMNO had become identified. Also, the UMNO party organization in the state was weak, partly as a result of internal dissension, and UMNO elected members had generally neglected their constituencies. The PAS, on the other hand, chose candidates close to the kampungs, its appeal was clear, and its slogans were effective. Some of the same conditions also prevailed in Trengganu, although there were more political divisions and the PAS itself was less cohesive.

TABLE A

Parliamentary Elections: Seats Won and Contested by Parties

Malaya/West Malaysia Elections

	1959		1964		1969	
	won	contested	won	contested	won	contested
Ailiance Party	74	104	89	104	66	103[a]
UMNO	52	70	59	68	51	67
MCA	19	31	27	33	13	33
MIC	3	3	3	3	2	3
PAS	13	58	9	52	12	59
PPP	4	19	2	9	4	6
Gerakan	n.a.	n.a.	n.a.	n.a.	8	14
DAP	n.a.	n.a.	1 (PAP)	11 (PAP)	13	24
PSRM	n.a.	n.a.	n.a.	n.a.	0	5
SF	8	38	2	63	n.a.	n.a.
UDP	n.a.	n.a.	1	27	n.a.	n.a.
PN	1	9	0	4	n.a.	n.a.
Malayan Party	1	2	n.a.	n.a.	n.a.	n.a.
Independents	3	27	0	8	0	2
Total Seats West Malaysia	104		104		103[a]	

[a]The election in one West Malaysian constituency was postponed.

Sarawak Elections

	1964[d]		1970	
	won	contested	won	contested
Sarawak Alliance[b]	18	n.a.	10	29
Bumiputera	n.a.	n.a.	5	11
Pesaka	6	n.a.	3	15
SCA	3	n.a.	2	3
BARJASA	5	n.a.	n.a.	n.a.
SNAP[c]	4	n.a.	9	23
PANAS	3	n.a.	n.a.	n.a.
SUPP	3	n.a.	5	18
Total Seats Sarawak	24		24	

Sabah Elections

	1964[d]		1970	
	won	contested	won	contested
Sabah Alliance	16	n.a.	16	16
USNO	6	n.a.	13	13
SCA	4	n.a.	3	3
UNKO	5	n.a.	n.a.	n.a.
PM	1	n.a.	n.a.	n.a.
Total Seats Sabah	16		16	
Total Seats Malaysia	144		143	

[b]In 1964 the Sarawak Alliance consisted of BARJASA, Pesaka, SNAP, and SCA. PANAS was not in the Alliance from April 1963 until mid-1965. In 1970 the Alliance consisted of Bumiputera, Pesaka, and the SCA.

[c]SNAP was in the Alliance until mid-1966.

[d]In Sarawak and Sabah these were indirect elections.

Sources: Compiled from *Straits Times;* Election Commission Reports; Vasil, *The Malaysian General Election of 1969,* op. cit., Appendix II; Ratnam and Milne, op. cit., Michael B. Leigh, *The Rising Moon* (Sydney, 1974).

TABLE B

Parliamentary Elections of 1974: Seats Won and Contested by Parties

	won	contested
West Malaysia		
National Front	104	114
UMNO	61	61
MCA	19	23
MIC	4	4
PAS	14	14
PPP	1	4
Gerakan	5	8
DAP	9	46
Pekemas	1	35
PSRM	0	21
Kita	0	4
Ind. PPP	0	1
Ind.	0	37
Total Seats West Malaysia	114	
Sarawak		
National Front	15	24
PBB	9	16
SUPP	6	8
SNAP	9	24
Ind.	0	3
Sabah		
National Front (Sabah Alliance)	16	16
USNO	13	13
SCA	3	3
Pekemas	0	1
Total Seats	154	

theme of fully implementing the provisions of the 1957 Constitution. Primarily, the opposition parties espoused communal issues. The PPP manifesto, for example, called for equal rights and privileges, official status for Chinese and Tamil languages, and education in the mother tongue in vernacular schools. On the other side, the PAS manifesto called for tighter citizenship and immigration laws, a "Melayu" nationality, Malay immediately as the national and only official language, and the restriction to Malays of the posts of Mentris Besar, Ministers, Governors, and heads of the armed forces. PAS called Merdeka an empty victory in which UMNO had sold out Malay sovereignty.[123]

The Alliance won an easy majority of 74 of the 104 seats, but captured only 51.8 per cent of the vote and sustained losses in both mainly Malay and mainly non-Malay seats. It was only because the Opposition was so divided that the Alliance maintained its persuasive dominance.

The overriding issue of the 1964 general elections was Confrontation with Indonesia over the formation of Malaysia. Both the SF and PAS had opposed Malaysia and both were accused of pro-Indonesian sympathies and activities that led to some arrests. Some of the other parties which had earlier had doubts about Malaysia, for instance the UDP and the PPP, now accepted the new Federation in principle and fully supported the effort against Indonesian Confrontation.

In the state elections, the Alliance was most concerned about losing Kelantan, once more, to PAS and Penang to some opposition combination. The voters were warned that there would be dire consequences if a non-Alliance Government controlled their state, because it would not be able to work with the Federal Government. In Kelantan, the Alliance circulated 100,000 leaflets alleging that the PAS State Government had mortgaged 375,000 acres of land to a Chinese firm at minimal cost.[124] The Alliance accused the State Government of bad financial management and obstruction of federal development plans in the state, and pointed to the progress made in Trengganu since the Alliance had regained control of the state. Vast

[123] As proof that UMNO had sold the country to the Chinese, the PAS pointed out that the Chinese had signed the newly issued bank notes (signed by the Minister of Finance) (Moore, op. cit., p. 72).

[124] *Straits Times*, 18 July 1964. The PAS denied the allegation but it later turned out to be substantially true.

sums of federal money were promised to Kelantan if the voters returned an Alliance Government.[125] In commercially-minded Penang, the Alliance promised the preservation of its free port status if it were returned. When the votes were counted, the Alliance had retained control of the State Government in Penang but had failed to recapture Kelantan from PAS.

At the federal level the biggest surprise was the entry of the PAP into the elections, as described earlier. The fuss created by the limited participation of the PAP was incommensurate with the electoral threat posed, but it caused tension within the Alliance and discord within the MCA, particularly between the Youth and the parent body. In the end the PAP won only one seat.

All the opposition parties raised communal issues, but the Alliance very adroitly managed to use the problem of Confrontation to equate the Alliance Government's position with loyalty to the nation, so that the impact of communal outbidding was minimized. Also, the Alliance election machinery was at full power. There was a National Election Committee at the top working with an "Operations Room" administrative nerve centre in Kuala Lumpur.[126] Below this, organization was basically through the similar but separate component party organizations, with state election committees, polling district supervisors, branch leaders, and a large working force that prepared polling cards for each voter, worked on charts, graphs, and reports, campaigned door-to-door, and provided transportation to the polling stations.[127]

The Alliance improved its position in 1964 by winning 89 of 104 seats and 58.3 per cent of the popular vote.[128] UMNO slightly improved its position, MIC held its seats, and the much beleaguered MCA improved its percentage of wins per seats contested from 61 per cent in 1959 to 81 per cent in 1964. However, there was the feeling that the 1964 election results were something of an aberration because of the Confrontation crisis.

[125] Ratnam and Milne, op. cit., p. 156.

[126] Ibid., pp. 159-65.

[127] In rural and semi-rural areas there were workers in charge of each unit of ten houses. These workers would visit the houses and report on whether each was "pro", "anti" or "undecided" (ibid.).

[128] With the addition of parliamentary seats from Singapore, Sarawak and Sabah, the Alliance majority in the Dewan Rakyat was swelled to 123 of 159 seats. See Means, *Malaysian Politics*, op. cit., p. 338.

One of the features of the 1969 general elections was the absence of any outstandingly important new national issues. As a result the campaign centred on perennial communal issues, and the tempo of the rhetoric sent communal tensions soaring.[129] It was assumed that the Alliance would win federally, the only questions being by how much and with what contribution by the MCA. At the state level the Alliance faced strong opposition in several states, though prospects of recapturing Kelantan seemed better than before. The Alliance chose to stand mainly on its past record. Its manifesto listed the accomplishments of the Alliance Government in one section and future goals and projections which "read like the Five-Year Plan" in another.[130] Despite a good record, a solid party machine, and a smooth division of constituencies and selection of candidates among the component parties, the Alliance approached the elections on the defensive. The Alliance formula for racial harmony and development was being attacked on all its communal flanks.

UMNO had apparently weathered the crisis of the 1967 Language Bill compromise which had incurred the displeasure of most Malays, and also internal revolts against the Tunku's leadership. But the party was alarmed at the spreading influence of PAS in the states of Kedah and Perlis, and the Kelantan State Government of PAS was a thorn in UMNO's side. The Alliance had a special manifesto for Kelantan which promised $548 million in federal funds if the Alliance was elected.[131] As the foundation of the Alliance rested on the solid Malay support UMNO could command, a challenge on this flank could not

[129] Dr Mahathir wrote that: "Realizing that the Malay and Chinese opposition were gaining support through racialist appeal, the Alliance Party candidates also resorted to racial politics towards the end of the election campaign. The result was explosive. Responsibility disappeared, to be replaced by unlimited license to appeal to the grossest sentiments in the name of democracy." ("Problems of Democratic Nation-Building in Malaysia", op. cit., p. 14.) Also see Martin Rudner, "The Malaysian General Election of 1969: A Political Analysis", *Modern Asian Studies,* Vol. 1, No. 4 (1970), pp. 1-21.

[130] Von Vorys, op. cit., p. 267. The Alliance Party manifesto was entitled "An Even Better Deal For All".

[131] Vasil, *The Malaysian General Election of 1969,* op. cit., p. 28. Kessler ("Muslim Identity and Political Behaviour in Kelantan", op. cit., p. 304) writes that the people in Kelantan rejected the special offer of $548 million in 1969 because it was seen as an appeal to "nafsu", or animal desires and unsavoury temptation. In 1964, after the elections, the new Mentri Besar, Datuk Asri, said that the State Government was ready to cooperate with the Federal Government in all matters (*Straits Times,* 20 July 1964). But this goodwill lasted only six months (see Marican, op. cit., p. 159; pp. 108-11 above).

be ignored. Consequently, Alliance campaign strategy emphasized those themes which were designed to appeal to Malay voters.

The MCA had gained prestige as a result of the 1967 Language Bill, but shortly after became embroiled in controversy over the Chinese-language Merdeka University proposals.[132] Fearing Malay reaction, the MCA renounced their university scheme. Sections of the Chinese community viewed this as an MCA sell-out, and the controversy became a campaign issue which caused the MCA much embarrassment and threatened to break party discipline. Finally, on 30 April, "long before hell froze over", Tun Tan Siew Sin reluctantly agreed to accept the idea.[133] However, both the original stand and the about-face cost the MCA support. The MCA concentrated its attack on warning the voters of what would happen if the MCA lost. In March, Tun Tan Siew Sin said: "If the Opposition manages to wrest key seats from the MCA, it will mean that the country will be ruled by an Alliance Government without Chinese participation."[134] In April he warned that support for the DAP would result in polarization and pressures on the moderates.[135]

The other important feature of the elections was the agreement between the major opposition parties to conclude electoral pacts. They were nothing more than temporary anti-Alliance election agreements, and there was no attempt to reconcile divergent ideologies. But this represented an important change because in the past the Opposition often attacked each other with more virulence than they directed towards the Alliance. In March 1968 the DAP and PPP concluded a pact to split up the constituencies in Perak. In February 1969 a pact was agreed to between the DAP and Gerakan. This agreement left Penang mostly to Gerakan, split Selangor, and gave Negri Sembilan, Johore, and Malacca to the DAP. There were broad hints of a secret "unholy alliance" between the DAP and PAS, which the two parties denied.[136] In April, PAS announced it would support two Gerakan candidates in Penang and would send campaign

[132] See von Vorys, op. cit., pp. 283-7.

[133] Ibid., p. 287.

[134] *Straits Times,* 17 March 1969.

[135] Ibid., 17 April 1969. Also see Tun Razak's warning to the Chinese community, ibid., 23 April 1969.

[136] Snider, "Communalism and the Breakdown of Malayan Parliamentary Democracy", op. cit., pp. 265-6.

workers to Gerakan.[137] There were also hints that Partai Rakyat would at least not be obstructive, especially as concerned the Gerakan effort in Penang, but the party denied having any agreements. Basically, the opposition parties agreed to divide the constituencies and not split the anti-Alliance vote by contesting against each other. In some cases a second opposition party purposefully entered the race in order to syphon off votes which would go to the Alliance candidate.[138]

A feature of the elections was the decision of the LP, weakened by arrests and detentions, to boycott elections. It failed, with about 3 per cent voter abstention. But the LP in its boycott campaign helped increase communal tensions; party members were involved in two incidents where there were deaths.[139]

The election manifestoes of the opposition parties did not significantly differ from those of previous elections. PAS still called for the restoration of Malay political supremacy, the DAP sought a "Malaysian Malaysia", and the PPP called for political equality and an end to Malay special rights. The Partai Rakyat campaigned for an end to neo-colonial systems and feudalism, and sought a new economic system. The new party, Gerakan, put out a moderate non-communal and unemotional 30-point manifesto and its main campaign call was to deny the Alliance the two-thirds majority in Parliament necessary to change the Constitution. The Gerakan compromised on the issues of language and education, but attacked the Alliance for widespread corruption and malpractices.[140] The campaign in its final days was conducted without restraints and became "vulgar and brutal", leaving in its wake an atmosphere that was full of tension.[141]

[137] *Straits Times*, 9 and 11 April 1969.

[138] For example, the PAS contested in several Chinese-majority constituencies where the main battle was being fought between the DAP and the MCA. Normally in such an area the minority Malay vote would go to the MCA and help bolster its vote totals. However, it was thought that with the addition of the PAS as an alternative, some Malay votes might go to the PAS rather than to the MCA. This strategy was apparently not very successful.

[139] There was an incident involving LP members in Penang on 24 April where an UMNO member was killed, and an incident in Kuala Lumpur where police killed an LP member. A large funeral was held for the latter in Kuala Lumpur on 9 May, the day before the election. There was no violence, but the Malay population in the city was reportedly upset by the procession demonstration. See Snider, "Communalism and the Breakdown of Malayan Parliamentary Democracy", op. cit., p. 288.

[140] See von Vorys, op. cit., pp. 265-72, for party manifestoes.

[141] Ibid., p. 284. Tun Razak appeared to be aware of the tension and communal agitation, and he noted that he was "disturbed by the trend of the election" (*Straits Times*, 12 May 1969).

The results gave the Alliance a reduced federal majority of 66 of 103 seats[142] and only 48.5 per cent of the popular vote. The MCA was badly beaten, winning only 13 of 33 seats.[143] However, contrary to the immediate post-election impression, the cause was not a mass defection of Chinese from the party but rather the effect of opposition unity.[144] In the states the situation was more serious. The Alliance lost again to PAS in Kelantan, though by a reduced margin, and lost control of Penang to Gerakan which won 16 of the 24 state seats while the Alliance was reduced to only 4 seats. In Perak and Selangor it appeared for a while that the Alliance could lose control to opposition coalitions, thus raising the spectre of a possible non-Malay Mentri Besar.[145] However, Gerakan refused to participate in any coalitions and the Alliance was able to form governments in the two states.[146] In Kedah and Trengganu the Alliance won by reduced margins and in Perlis PAS had made significant advances.

Because the elections were perceived in referendum-like terms, the Opposition felt that its gains represented a victory of sorts, and likewise the Alliance, still easily in the majority, federally, and capturing 9 of the 11 State Governments, felt the results to be not only a great setback but as virtually threatening its survival.[147]

Parties and Elections in Sabah

At the time of the Tunku's Malaysia proposal on 27 May 1961, there were no political parties in Sabah. By October 1962, in anticipation of the first District Council elections in December, there were five parties in existence as well as the Sabah Alliance.[148] The four member parties

[142] The election for the Melaka Selatan constituency was postponed.

[143] UMNO did not do any better in the popular vote against the PAS, but managed to win 51 of the 67 seats it contested.

[144] See von Vorys, op. cit., pp. 300-2. In 1969, the MCA lost several seats that it traditionally won only by pluralities.

[145] In Perak the Alliance won 19 out of 40 seats and in Selangor 14 out of 28 seats.

[146] The prospect of a non-Alliance government in Penang, which had never been a Malay state, was not particularly alarming to the Malays. The same could not be said of Selangor and Perak, however, and Gerakan leaders appeared to appreciate this point.

[147] Riots broke out in Kuala Lumpur on 13 May which resulted in changes in the political system. See pp. 78-9.

[148] For a detailed history of political party development in Sabah, see R.S. Milne and K.J. Ratnam, *Malaysia—New States in a New Nation* (London, 1974), ch. 3. The

constituting the Alliance were the United National Kadazan Organization (UNKO) led by Dato Donald Stephens (later Tun Mohd. Fuad Stephens), the United Sabah National Organization (USNO) under the leadership of Datu (later Tun) Mustapha bin Datu Harun, the Borneo Utara National Party (BUNAP), and the small and politically inconsequential Sabah Indian Congress (SIC). The only party outside the Alliance was the United National Pasok Momogun Party (PM), which still opposed the formation of Malaysia.[149] In 1964, the PM accepted Malaysia and merged with UNKO to become the United Pasok-momogun Kadazan Organization (UPKO), and in June 1965 BUNAP (also known as SANAP) merged with the Sabah Chinese Association (SCA) and took the name of the latter. With these realignments the three major parties in the Alliance represented the major religious and ethnic communities in the state. USNO attracted Muslims, primarily Suluks and Bajaus, but also some smaller groups and some Kadazan Muslims. UPKO represented the Kadazan Christian and Murut communities, and the SCA spoke for the Chinese.

The Sabah state elections of 1967, the first direct election to the Legislative Assembly, saw renewed conflict between the partners of the Sabah Alliance.[150] The conflict centred on the distribution of the 32 state seats among the component parties.[151] Tun Mustapha believed that USNO was the strongest party and wanted to allocate 18 seats to USNO, with UPKO getting 8 and SCA 6. UPKO leaders called for a distribution of 13 seats each for USNO and UPKO, with 6 for the SCA. When the deadlock could not be broken, UPKO decided to

District Council elections were the basis, through indirect elections, of membership to the Legislative Assembly and the Federal Parliament (Ratnam and Milne, op. cit., pp. 306-7). Also see Lee, op. cit., *passim,* which gives special attention to the Chinese parties; and R.S. Milne, "Political Parties in Sarawak and Sabah", *Journal of Southeast Asian History,* Vol. 6, No. 2 (1965), pp. 104-17.

[149] Originally only the USNO favoured Malaysia. UNKO changed its mind after it was assured that there would be certain guarantees for the state. The components of BUNAP (United Party and Democratic Party) later reluctantly accepted the idea of Malaysia.

[150] There was a strong rivalry between USNO and UPKO from the beginning and in late 1964 there was a conflict between UPKO leader and Chief Minister Donald Stephens and USNO leader and Head of State Tun Mustapha over state constitutional prerogatives which led to Stephens, under federal pressure, resigning as Chief Minister and then later temporarily retiring from politics (Milne and Ratnam, op. cit., pp. 233-5).

[151] See ibid., pp. 158-85.

contest against USNO and the SCA, but still remain in the Alliance.[152] For the elections USNO put up 25 candidates and the SCA 6, while UPKO contested 24; there were 26 Independents. There were no policy issues of real importance in the campaign (although UPKO was generally perceived as being more states' rights oriented than USNO or SCA) because all were still members of the Alliance and were therefore obliged to follow the general policy guidelines of the Alliance. Also, USNO and UPKO leaders seemed to believe that the religious and ethnic cleavages in the society were the most important determinant of how votes would be cast, and therefore the importance of policies and issues was diminished.[153] The elections were seen as a test of strength, and appeals and attacks were based on ethnic and religious considerations and personalities. Meanwhile, the SCA, facing a challenge mainly from Chinese Independents, campaigned on the need for Chinese unity.

The results gave USNO 14 seats, UPKO 12, SCA 5 and Independents 1. UPKO felt it had vindicated its earlier claim for seats by its performance, but the consequence of the elections was that USNO with the SCA controlled the State Government.[154] Tun Mustapha decided to form an interim Cabinet which consisted only of those who had been Ministers in the previous Government. Since two former UPKO Ministers had not contested, and the third had been defeated, UPKO was not included in the Cabinet. However, Tun Mustapha indicated that UPKO could be included in the Cabinet if he was allowed to pick the members and decide their posts.[155] Rather than accept a position of inferiority in the Alliance, UPKO decided to leave it and go into opposition in May 1967. However, after the defection of one of its legislators, Payar Juman, to USNO, there was concern about disintegration of the party together with growing apprehension about political repression, and in December 1967 UPKO announced that it was dissolving itself. A number of ex-UPKO politicians gradually

[152] It was thought wiser by the UPKO leaders to contest USNO and the SCA while still remaining in the Alliance because a complete break might have presented the opportunity for the Kuala Lumpur Alliance to openly assist USNO and the SCA (ibid., pp. 163-4).

[153] Ibid., p. 166.

[154] See R.S. Milne and K.J. Ratnam, "Patterns and Peculiarities of Ethnic Voting in Sabah, 1967", *Asian Survey,* Vol. IX, No. 5 (1969), pp. 373-81.

[155] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 134-5.

joined USNO, and the state, under Tun Mustapha, was left without any organized opposition.

In June 1970 Sabah held its first direct parliamentary elections (delayed from 1969 when the elections in Sabah and Sarawak were postponed). The Alliance won 11 of the 16 seats unopposed, all USNO seats. Of the 5 contested seats, USNO won 2 and the SCA 3 against Independents, for a clean sweep.[156] The 1971 state elections was even more conclusive, with the Alliance candidates returned unopposed in all 32 constituencies (USNO—28, SCA—4) after all 10 Independents were disqualified for improperly filing their nomination papers.[157] Sabah was increasingly being run like a one-party state under the autocratic rule of Tun Mustapha, and the detention of political opponents was becoming an open secret.[158]

Parties and Elections in Sarawak

The Sarawak Constitution of 1956 called for the introduction of District Council elections within a few years and, through a tier system, the indirect election of members of the Council Negri (and after Malaysia, members of the Federal Parliament).[159] The prospect of elections provided the catalyst for the formation of political parties.[160] The District Council elections were eventually scheduled for 1963. By October 1962 a five-party Sarawak United Front was formed which was soon transformed into the Sarawak Alliance. The members of the Alliance were Party Pesaka Anak Sarawak (Pesaka), Barisan Ra'ayat Jati Sarawak (BARJASA), Party Negara Sarawak (PANAS), Sarawak National Party (SNAP), and the Sarawak Chinese

[156] A correspondent wrote that: "The general opinion of those in Sabah who still bother to keep track of politics is that any Independents foolhardy enough to contest the remaining seats are not only wasting their time and money but might be courting trouble" ("Malaysia: Back to the Polls", *Far Eastern Economic Review,* 11 June 1970, p. 5).

[157] *Straits Times* (Malaysia), 6 October 1971. Reportedly some Independents were paid to withdraw and take a holiday in Taiwan and Hong Kong instead (interview with a former USNO politician, 15 July 1974).

[158] Dr Tan Chee Khoon made a statement accusing the Sabah State Government of abusing its police powers and the Internal Security Act by repressing political opposition through detention and fear of detention ("Before the Powder Keg Blows", *Far Eastern Economic Review,* 2 January 1971, pp. 12-13).

[159] See Ratnam and Milne, op. cit., pp. 266-9.

[160] Detailed histories of early party formation can be found in Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., ch. 3; Ratnam and Milne, op. cit., ch. 10; Leigh, op. cit., ch. 1.

Association (SCA). The first party formed in Sarawak, the Sarawak United People's Party (SUPP), was the only party outside the Alliance. However, in April 1963, PANAS left the Alliance when it felt it was not getting its fair share of the rewards. Fundamentally, though not completely, the composition of the parties reflected the ethnic, linguistic, and religious divisions of Sarawak. PANAS and BARJASA represented mostly Malays, SNAP and Pesaka, primarily non-Muslim natives (mostly Ibans), and the SCA and SUPP represented mostly Chinese (the SCA was entirely Chinese while SUPP had a rather large non-Muslim native membership).[161]

Although all the parties issued manifestoes, the major issue for the District Council elections was the formation of Malaysia. The Sarawak Alliance and PANAS supported the Federation while SUPP opposed it. The election results gave the Alliance a narrow plurality of popular votes which were translated into a majority in the 36-seat Council Negri (Alliance—23, SUPP—5, PANAS—5, Independents—3).[162]

Some new alignments on the party scene took place in the next few years. In 1965 and 1966 there were two Cabinet crises which resulted in realignments.[163] The first crisis in 1965 was the result of objections to land bills tied up with political manoeuvres designed to undermine the position of SNAP leader and Chief Minister Datuk Stephen Kalong Ningkan.[164] An attempt was made to set up a Native Alliance of BARJASA, Pesaka, and PANAS. BARJASA left the Alliance with Ningkan's approval, but he sought to hold the support of Pesaka. When Pesaka withdrew from the Native Alliance and gave its support to Ningkan, the coup failed. Several weeks later, after consultations with Kuala Lumpur, BARJASA was readmitted to the Alliance, and PANAS after a long absence was also readmitted. The Cabinet crisis

[161] See Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 155. There were divisions between the mostly Malay parties and also between the mostly non-Muslim native parties. The divisions between PANAS and BARJASA were partly geographic, but were also due to the fact that many members of PANAS were pro-cession in 1946 while many members of BARJASA were anti-cession (p. 89). Rival personalities also contributed to the division between the two parties. SNAP and Pesaka were also divided by geography, with SNAP in the Second Division and Pesaka in the Third Division, and by personal rivalries.

[162] Ratnam and Milne, op. cit., pp. 283-4, 291-4.

[163] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 215-33; Leigh, op. cit., pp. 86-7.

[164] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 220.

of 1966 was once again related to a revolt against Datuk Ningkan. After a complicated sequence of political manoeuvres which involved dismissals, resignations, no-confidence measures, the intervention of the Kuala Lumpur Alliance, court action, a State of Emergency, and finally a constitutional amendment, Ningkan was dismissed as Chief Minister and SNAP left the Alliance.[165]

With the new alignment, the Sarawak Alliance now consisted of BARJASA and Pesaka as the senior members and PANAS and the SCA as the junior partners. SUPP and SNAP were in the Opposition, along with another party, MACHINDA. In November 1966, BARJASA and PANAS merged as Parti Bumiputera, which then exercised a dominant role within the Alliance. Thus the political stage was set for Sarawak's first direct state and parliamentary elections. These elections were due in 1969, but were suspended before the staggered polling was completed when a State of Emergency was declared following rioting in Kuala Lumpur.[166] In 1970 the suspension was lifted, and the Sarawak elections were rescheduled for June-July. Except in the case of death, there were no new nominations and polling was to begin anew.[167] There was an official ban on all types of campaigning, with only posters showing the candidate's name, party, and symbol being allowed.[168]

The 1970 elections renewed the rift that had developed within the Alliance in 1969 when Pesaka and Bumiputera were unable to agree on seat allocations. The two parties opposed each other in eighteen constituencies with Pesaka standing against the SCA in two other seats.[169] Pesaka also decided to use its own symbol rather than the Alliance symbol. The conflict was not over issues and policies but over spheres of electoral influence and power within the Alliance. The

[165] Ibid., pp. 223-7.

[166] See pp. 84-5.

[167] See R.S. Milne and K.J. Ratnam, "The Sarawak Elections of 1970: An Analysis of the Vote", *Journal of Southeast Asian Studies,* Vol. III, No. 1 (1972), p. 112. The votes polled in 1969 had been preserved in sealed boxes, but when the Election Commission could not guarantee the accountability of all votes, it was decided to conduct entirely fresh polls.

[168] Bob Reece, "Alliance Troubles", *Far Eastern Economic Review,* 18 June 1970, p. 8. There was a so-called "poster war" in Kuching. See *Sarawak Tribune,* 23 June 1970.

[169] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 185. In 1969 the leaders of the Alliance in Kuala Lumpur attempted to work out a compromise on seat allocations, but the effort broke down in March (ibid., pp. 180-1). Also see Bob Reece, "Seemingly Apart", *Far Eastern Economic Review,* 24 April 1969, p. 240.

various party policies and manifestoes had been spelt out in 1969. The position of Bumiputera was that it was the party which had the confidence of the Federal Government and therefore had the influence to get federal cooperation. The SCA identified with the Alliance and, basically, so did Pesaka.

In the Opposition, SNAP presented itself as the champion of Sarawak (particularly Iban) rights. It was thought that SNAP, having no strong links with the traditional native leadership and depending on energetic campaigning, may have suffered from the election suspension.[170] The other opposition party, SUPP, supported socialist planning for the state and made a strong plank of the question of political detainees. Even before the 1969 campaign, SUPP leaders had agreed to support Malaysia, disagreeing only with the manner in which it was brought into being.[171] It is believed that in return the Federal Government had promised that it would not interfere with SUPP's campaign.[172] In 1969-70 SUPP was seen as a more respectable and responsible party than it had been earlier, and its top leadership was viewed as moderate.

It was thought in 1969 and 1970 that the Alliance would have difficulty in winning a majority of Council Negri seats, and that some coalition would be necessary to form the State Government.[173] Pesaka believed itself to be in a pivotal position.[174] SUPP had been led to believe, by 1970, that a SUPP-SNAP coalition government would result in the continuation of State Operations Committee (SOC) rule.[175] Some other combinations, such as SNAP-Bumiputera, were ruled out by personality conflicts.

The parliamentary elections assumed more importance in 1970 than

[170] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 198.

[171] Leigh, op. cit., p. 130; Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 237; *Straits Times,* 21 April 1969.

[172] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 441, fn. 37; Leigh, op. cit., p. 130.

[173] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 201; Bob Reece, "Polling Heads", *Far Eastern Economic Review,* 12 March 1970, pp. 19-22; Vasil, *The Malaysian General Election of 1969,* op. cit., p. 54. Vasil cites a *Straits Times* (Singapore) Editorial of 6 July 1970 which suggests that the Alliance may have prepared itself for loss of control of the Council Negri.

[174] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 184.

[175] Leigh, op. cit., p. 143; James P. Ongkili, *Modernization in East Malaysia, 1960-70* (Kuala Lumpur, 1972), p. 73.

in 1969. The Federal Government was using Sarawak as a test case for its post-May 1969 support, and Tun (Dr) Ismail had warned that if the results of the elections in Sabah and Sarawak did not give the Alliance a two-thirds majority in Parliament, there could be no return to parliamentary democracy.[176]

The Council Negri results were a surprise, with Bumiputera winning 12, SCA 3, Pesaka 9 (including one former Independent), SNAP 12, and SUPP 11 of the 47 seats.[177] The results showed that Malay support was solid while the Iban vote was split, and also that the SCA was dependent on Malay votes for its victories.[178] It seemed possible that the Bumiputera-SCA-Pesaka Alliance with 24 out of 47 seats, and the likelihood of winning over defectors before the by-election for the 48th seat, could have formed the Government. However, there was a stalemate when Pesaka wanted to nominate the Chief Minister.[179] After a series of secret negotiations between the various parties (which will be discussed later), a coalition government was formed between the Alliance and SUPP, with Datuk Patinggi Haji Abdul Rahman Yakub of Bumiputera named as the Chief Minister. At the parliamentary level, the support of SUPP's five members in matters affecting the national interest gave the Alliance the two-thirds majority it sought.[180]

Politics in Sabah and Sarawak

There are some important differences in party politics between the Borneo states of Sabah and Sarawak and Peninsular Malaysia.[181] First of all, the politics of Peninsular Malaysia dominate the whole of Malaysia, with its parties forming the Federal Government and dictating federal policy.[182] The parties in Sabah and Sarawak tend to

[176] *Malaysian Digest,* 14 May 1970, p. 3.

[177] The election for one seat, a SUPP stronghold, was postponed.

[178] Milne and Ratnam, "The Sarawak Elections of 1970: An Analysis of the Vote", op. cit., pp. 111-22.

[179] Leigh, op. cit., p. 142.

[180] Ibid., p. 145; *Kinabalu Sabah Times,* 18 July 1970.

[181] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 69-72.

[182] There have been Cabinet Ministers from several of the Sabah and Sarawak parties. At first there were Ministers for Sabah and Sarawak Affairs as regional representatives. Now the Ministers selected from Sabah and Sarawak have been given non-regional portfolios and they have been drawn into the Peninsular Malaysian mainstream in those capacities.

be on the political periphery. Outside Parliament, they operate only in their respective states and none has national ambitions (although some of their individual leaders may have them). Issues and party policies have been regional and tribal, congregating around states' rights and federalism, and earlier around the question of the formation of Malaysia. In the same way, none of the Peninsular Malaysian parties, with the exception of Pekemas in the 1974 and 1976 Sabah elections, has branches or competes in Sabah and Sarawak. The Kuala Lumpur Alliance has intervened on occasion in the affairs of the Sabah and Sarawak Alliances, usually to mediate rifts, and a Grand Alliance was set up to coordinate the activities of the various Alliances. However, there was no question of a merging of hierarchies, and the Sabah and Sarawak Alliances had no say in the activities of the Kuala Lumpur Alliance. Generally, as long as the Sabah and Sarawak political scene is peaceful and the states cooperative with the Federal Government, the internal politics there are not of vital concern to the Federal Government.[183]

Another difference is that Sabah and Sarawak are newer to politics and consequently party structure has been less settled, with more party formations, mergers, and dissolutions. Newness has also been a contributing factor in the formation of a smaller elite circle, with formal education a less important criterion, and with an emphasis on personalities in politics. Patronage has been a key element in mobilizing political support;[184] in Sabah, particularly, patronage has led to the rather ruthless exploitation of timber.

Ethnic divisions in Sabah and Sarawak are more complex and coincide less perfectly with other cleavages. There are more ethnic and sub-ethnic groups and the unity of these groups is hindered by poor communications, largely the result of geography.[185] Also the religious and linguistic cleavages are as salient as ethnicity, and sometimes cut across it.[186]

[183] The Federal Government *has* intervened when the issue was thought vital, the most dramatic occasion being Sarawak in 1966. See p. 115.

[184] R.S. Milne, "Patrons, Clients and Ethnicity: The Case of Sarawak and Sabah in Malaysia", *Asian Survey,* Vol. XIII, No. 10 (1973), pp. 891-907.

[185] In Sarawak, this contributed to the formation of two Iban parties and two Muslim parties.

[186] In Peninsular Malaysia one can talk in fairly specific terms about Malays and non-Malays (or Bumiputras and non-Bumiputras). In Sabah and Sarawak one can only generally categorize the groups as Native Muslim, Native Non-Muslim and Non-Native.

Some of these differences can be expected to disappear as Sabah and Sarawak mature politically and as economic development takes place and educational standards rise. However, in the near future it appears that the politics of these states will remain peripheral to the Federation as a whole and show some variations from the main pattern.

The Formation of the National Front

Problems Inside the Alliance Parties

The 1969 election results and the subsequent riots left the Alliance in a shambles. Despite the fact that the Alliance still commanded an easy majority in Parliament, the elections were viewed as a tremendous setback.[187] In the agonizing period of reappraisal which followed, Malay discontent found expression in groups within UMNO and among the students, and centred on urging the Tunku to resign.[188] A major crisis developed inside the UMNO between the Tunku and his supporters and the so-called "radicals".[189] Open criticism subsided when Dr Mahathir was expelled from the party and Encik Musa Hitam was sent on "study leave" to England as the Tunku reasserted his authority. A year later, in August 1970, the Tunku announced that he would resign on 21 September. However, the rift which had developed within the UMNO continued even after the Tunku was succeeded by Tun Razak.

[187] The party, especially the UMNO, had been in power so long that it considered itself permanent and indispensable, and attacks on the party or its leaders were considered as threatening the political system itself. For a general reference on party behaviour, see Seymour M. Lipset and Stein Rokkan, "Cleavage Structures, Party Systems, and Voter Alignments: An Introduction", in *Party Systems and Voter Alignments: Cross-National Perspectives,* Seymour M. Lipset and Stein Rokkan, eds. (New York, 1967), p. 4.

[188] See pp. 87-9 for full details. The Tunku was blamed for not taking steps to eradicate Malay poverty, for conceding too many Chinese demands, including those of the MCA, and, indirectly, for allowing non-Malay parties to believe that it would be possible for them to come to power through the electoral process. See Derek Davies, "Some of Our Best Friends . . .", *Far Eastern Economic Review,* 26 June 1969, pp. 700-5; Tunku Abdul Rahman, "Looking Back", *The Star,* 23 June 1975.

[189] See pp. 86-7. Also see Bob Reece, "The Tunku Rides Again", *Far Eastern Economic Review,* 7 August 1969, pp. 320-1; Bob Reece, "Alliance Outcast", ibid., 18 September 1969, pp. 698-700; Syed Hussein Alatas, "The Politics of Coalition in Malaysia", *Current History,* Vol. 63, No. 376 (1972), pp. 271-3, 277. It is Professor Alatas' thesis that the real cause of the delay in returning to parliamentary rule was the problem of the change of leadership within the UMNO.

The UMNO General Assembly in January 1971 provided the occasion for a test of strength between the "old guard" and the "radicals" (or the "old order" and the "new order") as the groups vied for party positions and for control over the policy direction of the party.[190] The party election results were substantially a victory for the "radicals". The three Vice-Presidents were all identified with the new group, and an incumbent, Encik Khir Johari, strongly linked with the Tunku's group, lost his post.[191] The UMNO Youth Presidency and Deputy Presidency were also won by "radicals", Dato Harun and Encik Musa Hitam. Tun Razak's task was to channel the new "Malay nationalist" sentiments of the party constructively and to consolidate his position as party leader. At the May 1971 Silver Jubilee General Assembly, where there were no elections, Tun Razak put his leadership on the line with the proposed constitutional amendments which were aimed at strengthening the power of the Supreme Executive Council. The amendments included holding UMNO party elections every three years instead of annually, measures for stricter party discipline, and the selection of parliamentary and state party candidates by the Supreme Executive Council.[192] Despite some accusations that the Supreme Executive Council was trying to grab power away from the party divisions and branches, the amendments were passed.[193] With the additional powers which the amendments provided and the successful outcome of a rather daring move to push them through, Tun Razak was now solidly in control of the party. While he wanted UMNO policies to be more congruent with Malay aspirations, he did not want to be constantly pressured by the demands of Malay extremists. The amendments gave him extra leverage in charting a course for achieving a "lasting solidarity in a multi-racial society".[194]

[190] *Straits Times* (Malaysia), 3, 4 and 16 January 1971.

[191] It is unusual in UMNO for an incumbent to lose his post. One of the elected Vice-Presidents, Tan Sri Sardon, had long been associated with the Tunku, but he was able to move over with the new group. See James Morgan, "Changing the Guard", *Far Eastern Economic Review,* 6 February 1971, pp. 16-17; *Straits Times* (Malaysia), 24 and 25 January 1971.

[192] *Straits Times* (Malaysia), 8 May 1971.

[193] Ibid., 10 May 1971. The amendment to allow Vice-Presidents and Supreme Executive Council members to serve three-year terms was passed only by the narrow margin of 180-175 votes. After this "test case" the other amendments were passed more easily.

[194] Ibid., 23 January 1971. Also see Pakir Singh, "How Far to Go . . .?" *New Nation,* 22 February 1971.

The MCA reached its lowest ebb after the 1969 elections. After criticism from UMNO officials about the MCA's "shocking defeat", the party announced that it would not participate in the Cabinet because the Chinese community had rejected the party; however, it later reversed its position in the light of the Emergency.[195] Despite encouragement from Chinese associations and amendments to the party Constitution which gave the President wider powers, the effort to rejuvenate the MCA seemed stymied.[196] Then in January 1971, just after the ban on political activity was lifted, Tun (Dr) Ismail warned that it would be better for UMNO to break with the MCA and the MIC if the two Alliance partners continued to be "neither dead nor alive".[197] The Ismail statement provided the catalyst for the launching of the Chinese Unity Movement in February 1971.[198] Although the Movement was not sponsored by the MCA, Tun Tan and some other MCA officials were actively involved in it.[199] The Movement, directed by a ten-man liaison committee, gathered the support of the English-educated professionals and the Chinese-educated teachers and businessmen, as well as a groundswell of popular Chinese support. The popularity of the Movement, and its style of mass rallies, soon alarmed both the UMNO leaders and most of the MCA hierarchy, who grew increasingly worried about the MCA's lack of control over it. Under pressure, the liaison committee attempted to register the Movement, but when Tun Tan objected and two of its founder members were arrested under the Sedition Act, the attempt at

[195] *Straits Times,* 13 May 1969; Derek Davies, op. cit., p. 702; *MCA 25 Tahun,* op. cit., p. 4.

[196] The MCA amended its Constitution in September 1970.

[197] *Straits Times* (Malaysia), 18 January 1971. Tun Tan Siew Sin's initial reaction was one of anger. The MCA, he said, was "a target for extremist Malays on the one hand and chauvinist Chinese on the other". He warned that there was a limit to the MCA's endurance. He also added that in terms of percentages, the UMNO had lost more Malay support in 1969 than the MCA had lost Chinese backing (ibid., 19 January 1971).

[198] Ibid., 8 and 9 February 1971; James Morgan, "Malaysia: Confessional Victory", *Far Eastern Economic Review,* 20 February 1971, p. 11; *New Nation,* 15 and 17 February 1971; *Singapore Herald,* 15 February 1971; *The Guardian* (MCA), May 1971; *Malayan Thung Pau,* 28 and 29 May 1973, quoted in *Intisari Akhbar Harian.* Also see Alex Lee, "Trends in Politics: A Malaysian-Chinese View", in *Trends in Southeast Asia, No. 2,* Patrick Low, ed. (Institute of Southeast Asian Studies, Singapore, July 1971), pp. 49-53; "Roundtable Discussion", ibid., pp. 78-80.

[199] The Unity Movement did, however, cause increasing dissension within the MCA and Tan Sri T.H. Tan resigned from the party's Central Working Committee in protest against the Movement usurping MCA authority.

registration was dropped.[200] A number of the members later joined the MCA and added to the "new blood" campaign being activated in Perak, but the Unity Movement *per se* was dead.

Meanwhile in Perak a different style of movement was already gathering momentum.[201] Known as the Perak Task Force, and working with the MCA as an MCA-financed special or parallel organization, it quietly mobilized and organized grass-roots support among the Chinese. The success of the Task Force, organized by Dato Teh Siew Eng, led to similar bodies being set up in other states and the reformation of the MCA seemed irrepressible, despite the grumblings of the MCA "old guard". The UMNO leaders also seemed satisfied with the Task Force approach as a means of getting the MCA back on its feet. In December 1971, Tun Razak appointed Dr Lim Keng Yaik, a leader of the Perak Task Force, as a Minister with Special Functions (New Villages).[202] However, by mid-1972 the reform movement had degenerated into a determined fight within the party between the "new bloods" and the "old guards". The sequence of events worked against the former. Tan Sri Khaw Kai Boh, who had backed them, died; disenchantment over the Alliance coalitions in Penang and especially in Perak led to the expulsion of two Task Force leaders from the MCA; the tone of some of the new leaders became increasingly strident and chauvinistic. In the end, Tun Tan, apparently convinced that there was a plan to remove him as MCA President, turned against the "new bloods", and the Task Force group was outmanoeuvred and ultimately forced out of the party.[203]

Consequently, after several years of trying to reform the MCA, to regain grass-roots support and to create a new image, the result was an internal power struggle which split and further damaged the party, and left the Chinese community as "hopelessly disunited" as ever. Although the MCA had survived many obituaries, the internal rifts,

[200] See *Straits Times* (Malaysia), 15-19 and 26 April 1971; *Far Eastern Economic Review,* 7 August 1971, p. 14; *Sunday Times* (Malaysia), 22 August 1971.

[201] The Task Force disagreed with the Unity Movement's rally approach because it offered no way of turning emotions and ideas into concrete action. (Interview with a former leader of the Perak Task Force, 14 March 1975.)

[202] *Sunday Times* (Malaysia), 22 August 1971; *With One Mind Towards One Objective* (MCA Headquarters, n.d.); *Straits Times* (Malaysia), 23 December 1971.

[203] There was a press blackout concerning the MCA's internal struggle during this period. See *Far Eastern Economic Review,* 4 June 1973, pp. 11-12, and 25 June 1973, pp. 13-14; *The MCA Intra-Party Struggle, 1973* (4 July 1973 (mimeo.)).

combined with the new Alliance coalition-building strategy, seemed to relegate the MCA to the position of a rump party.[204]

The MIC during this period was largely inactive, with the leadership choosing not to react to Tun (Dr) Ismail's "neither dead nor alive" warning.[205] Inside the party a leadership struggle was developing between the President and his Deputy.

The Search for a New Formula

After 13 May 1969, there was a general feeling among the top leadership that the "bargain" and the Alliance Party as constituted were inadequate for ensuring racial harmony. Soon after the riots Tun Razak and a small group of close advisers met in the Cameron Highlands to look into the possibility of developing a new strategy for governing.[206] It was decided that it had been a mistake to have policies which fluctuated according to communal pressures, and that what was needed was a clear long-term political and socio-economic policy for the nation.[207] In the discussions and meetings which followed, certain basic political ideas were accepted: "politicking" would have to be reduced; UMNO dominance would have to be ensured; Malay unity, as well as coming to terms with Malay nationalism, would be a major goal; political consensus in the sense of broadening the base of the Alliance would be sought; the Westminster model of democracy would need to be adjusted to local conditions; and elements of ambiguity in political relationships would have to be eliminated.[208]

The establishment of the NCC was the first step in translating these ideas into action. The success of the NCC and of the "test case" coalition government in Sarawak contributed to Tun Razak's decision to pursue a coalition policy upon the return to parliamentary rule, in

[204] See Harvey Stockwin, "Trauma for the MCA", *Far Eastern Economic Review,* 31 December 1973, p. 14.

[205] *Straits Times* (Malaysia), 19 January 1971.

[206] Compiled from interviews with a high UMNO official, 21 March, 12 June and 25 June 1975.

[207] Ibid.

[208] Tan Sri Muhammad Ghazali bin Shafie wrote ". . . the politics of this country has been, and must remain for the forseeable future, native-based . . . It must be a native base which believes not in false compromises or in compulsion but in cooperation with all the other races in the country " (*Development Forum,* Vol. 11, No. 2 (December 1969), pp. 5-6). Also see *Sarawak Tribune,* 25 October 1969; *Straits Times* (Malaysia), 6 March, 14 September, and 22 September 1971 and 8 August 1974.

conjunction with the passing of the Constitution (Amendment) Act 1971, and the proclamation of the Rukunegara, the Second Malaysia Plan and the New Economic Policy.[209]

The SUPP-Sarawak Alliance Coalition

Although the announcement of the SUPP-Sarawak Alliance Coalition Government came as a surprise to the public, unofficial discussions about such a development had been going on for well over a year between the top SUPP leaders and the Federal Government.[210] The Federal Government had expected that the election results would not yield a clear majority and that a coalition government might be necessary. Consequently, several Kuala Lumpur Alliance leaders, including Tun Razak, Datuk Senu bin Abdul Rahman, and some administrative aides, were present in Kuching to help negotiate a satisfactory coalition agreement.

During 4-8 July 1970, parallel efforts were being made to form a coalition government of Bumiputera and SUPP on the one hand, and SNAP-Pesaka-SUPP, on the other.[211] The SCA stayed in the background. The leaders of SUPP were aware that Kuala Lumpur would not be pleased with a SNAP-Pesaka-SUPP coalition, and, in addition, SNAP and Pesaka would offer only minimal terms to SUPP.[212] Thus SUPP indicated that it was ready to go ahead with coalition negotiations with Bumiputera, and a coalition agreement between the two was signed in the house of the Federal Secretary on 7 July 1970 and announced to the public the next day.[213] The actual

[209] See ch. 10. See also Chandrasekaran Pillay, "Coalition Politics—The Why and Whither", *Commentary* (January-March 1973), pp. 4-5, 16-17.

[210] According to Tan Sri Ong Kee Hui, there were no official talks in the 1967-69 period, but an understanding with Tun Razak emerged to the effect that if the Sarawak Alliance lacked a working majority, it would be best to have a coalition with SUPP (interview, 24 March 1975). Also see p. 170 above.

[211] For details, see Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 236-40.

[212] Interview with a high-ranking SUPP official, 19 July 1974. Even if the SNAP-Pesaka-SUPP coalition had managed to win over a few defectors from Bumiputera, there still would not have been enough Malays in the Government to satisfy Kuala Lumpur. In such an event, SUPP leaders realized that it was not a certainty that the Emergency would be lifted and SOC rule replaced. Also, SUPP distrusted Pesaka and SNAP as allies. See Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., p. 238.

[213] Interview with a former Pesaka official, 18 July 1974. Also see *Sarawak Tribune,* 6, 7 and 8 July 1970.

coalition was between SUPP and the Sarawak Alliance, consisting of Bumiputera and the SCA, with Pesaka uncertain over whether it was in or out of the Government.[214] After the Coalition Government had secured two Pesaka members for Dayak representation, Pesaka announced that it had never severed relations with the Sarawak Alliance and that it fully supported the Coalition Government.[215] Thus the Sarawak Coalition Government had Bumiputera and SUPP as major partners and Pesaka and the SCA as minor ones.

Among SUPP's terms for coalition were that the Deputy Chief Minister should be from SUPP and that it should have equal control over policies and appointments, and that the policies spelt out in its election manifesto would be implemented.[216] A compromise was reached concerning the SCA—it would be allowed to remain in the Coalition Government but it would not be given any Cabinet posts. Pesaka was given a Federal Ministership and two state Cabinet Ministries, but both persons for the state posts were to be selected by the Chief Minister and not by Pesaka.[217]

The Federal Government had several reasons for favouring a SUPP-Sarawak Alliance Coalition Government. It wanted political stability in Sarawak, both for economic development and also as an aid to combatting communist insurgency in the state. Further, it sought more adequate Chinese representation in the Government, which SUPP would provide. Also, Kuala Lumpur was on good terms with the moderate SUPP leadership, and viewed SUPP as a well-organized and well-supported party.[218] Likewise, now that SUPP had come to terms with the idea of Malaysia, the party, except for its radical wing, was viewed as being respectable. The Sarawak Alliance organization, on the other hand, had caused some trouble for the Kuala Lumpur Alliance, with bickering over seat allocations and appointments, and had been burdened by a weak Chinese component, the SCA. The coalition, especially with the major role assigned to

[214] Ibid., 8 and 9 July 1970.

[215] Ibid., 10 July 1970. Earlier Tun Razak had indicated that the door would be open to any individual or party which wanted to join (ibid., 6 July 1970); however, with Pesaka's decision to remain within the Sarawak Alliance, Tun Razak noted that he did not think it was necessary to get SNAP into the coalition (ibid., 12 July 1970).

[216] Leigh, op. cit., pp. 143-5; Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 238-9.

[217] Ibid., p. 240.

[218] Interview with Tunku Abdul Rahman, 30 May 1975.

Bumiputera, was viewed as stabilizing the Alliance. Another important consideration at this time was that the Federal Government wanted to obtain the support of SUPP's five Members of Parliament. Although the coalition agreement was limited to the state, SUPP soon made it clear that it would not oppose the Federal Government on any national issues so long as it was consulted beforehand.[219] Finally, even though Sarawak politics was in general peripheral to Peninsular Malaysian politics, the coalition provided a "test case" for coalition-building.

Bumiputera, with the Chief Ministership in its possession and now holding undisputed claim as the major partner in the Sarawak Alliance, was willing to accept the coalition agreement. Pesaka and the SCA had few reasonable alternative options.

For SUPP, the coalition meant a share of the leadership and a chance to implement some of its policies, after years in the Opposition. It was also seen as a way of strengthening the leadership of the moderates in the party.[220] The problem for the SUPP leaders was to win the support of the membership without splitting the party. The situation was eased when the State Government withheld permission for SUPP to hold its 7th Annual Delegates' Conference for nearly a year. During this period the radical wing of the party was hindered by the restrictions of the SOC rule and the federal drive against the communist insurgents.[221] When the Conference was held in September 1971, the delegates gave full support to the party's participation in the State Coalition Government.[222]

The Gerakan-Alliance Coalition

Although the coalition in Sarawak was proving successful, Tun Razak gave no early indication of further coalitions, saying in December

[219] *Sarawak Tribune,* 18 July 1970.

[220] See Leigh, op. cit., p. 157; Bob Reece, "Unlikely Alliance", *Far Eastern Economic Review,* 16 July 1970, pp. 6-7; Leo Ah Bang, "Elite Cohesion in Malaysia: A Study of Alliance Leadership" (M.S.S. Thesis, University of Singapore, 1972), p. 178.

[221] *Straits Times* (Malaysia), 6 September 1971. Also see *Sarawak Tribune,* 10, 15, 16 and 18 December 1970.

[222] The Sarawak Communist Organization (SCO) was in a dilemma over the State Coalition Government. If it directed its supporters to leave SUPP, it would lose its only legal spearhead. The SCO finally issued a directive to its supporters to remain within the party but to force it to implement its campaign promises or else withdraw. See *The Threat of Armed Communism in Sarawak* (Kuala Lumpur, 1972). See also pp. 315-16.

1970 that Tan Sri Khaw Kai Boh's coalition government idea was not "Alliance thinking".[223] It was not until 1972 that the goal of reducing "politicking" was openly translated into a pattern of extensive coalition-building in Peninsular Malaysia. The first of these coalitions was between Gerakan and the Alliance in February 1972.[224] The terms of the coalition agreement called for the Alliance to participate in the State Government of Penang, with an Alliance member to be sworn into the Executive Council, for Gerakan to support the Alliance Government in Parliament and the State Assemblies, and for the establishment of a Consultative Committee and a Coordination Council as coalition forums.[225] Dr Lim Chong Eu remained as Chief Minister, and the coalition allowed Gerakan to retain control of the State Government, while ensuring that policies would not run counter to the Federal Government's intentions.

The motives of the Alliance in agreeing to the coalition appear straightforward. It gained a share of political and administrative responsibility in Penang, thus simplifying the task of implementing federal economic policies, and simultaneously it co-opted a moderate opposition party controlling a highly politicized state, and strengthened pro-government representation. Further, the coalition stabilized Penang state politics and removed the threat of a less moderate opposition party coming to power.[226]

Gerakan's coalition motives centre around the split within the party. The question is: did the split precipitate the coalition move or did the coalition idea lead to the split? Latterly, the weakened position of the Gerakan did contribute to a coalition situation.[227] However, it appears that soon after Gerakan took over the Penang State Government, Dr Lim Chong Eu, as both Chief Minister and head of

[223] *Straits Times* (Malaysia), 7 and 8 December 1970.

[224] Ibid., 14 and 17 February 1972.

[225] Ibid., 17 February and 4 March 1972; *The Star,* 2 March 1972.

[226] According to a high-ranking Penang MCA official, the Alliance sent a team to Penang to conduct a survey of voters' opinions when it was thought that the State Government might fall. The team reported that if an election was held, the Alliance would not win a majority. Therefore, there was no Alliance move to topple the Government and indeed the Alliance (UMNO) members in the State Assembly supported the Government (interview, 7 May 1975). Also see *Straits Times* (Malaysia), 18 July and 28 September 1971.

[227] Md. Aris Ariffin, op. cit., pp. 24-6. This writer concludes that the Gerakan split was the real cause of the coalition and that there was no idea of a coalition before the break-up.

the SOC, sought an increasingly close relationship with the Federal Government, and especially with the UMNO leaders.[228] Apparently, after the 1969 riots, Dr Lim realized that it was no longer possible to pursue some of the old issues, and that it was necessary, from both a political and a financial point of view, for the state to cooperate with the Federal Government. Some party members evidently believed that Dr Lim wanted to go beyond mere cooperation with the Federal Government—to find an arrangement that would allow formal ties.[229] The Tan Chee Khoon and Syed Hussein Alatas groups favoured cooperation but wanted Gerakan to remain a responsible opposition party, uncompromised by a coalition.

There were other likely reasons why Dr Lim moved closer to the national leadership. Gerakan was not a unified party, and the Chief Minister was worried about internal upheavals and defections. Secondly, there was a conflict within the party over priorities. Finally, the Chief Minister was a political moderate who had started his political career in the Alliance and whose views were not irreconcilable with those of the Federal Government. For some or all of these reasons, compounded by personality conflicts among the top Gerakan leaders, it appears that Dr Lim's desire to reach a formal accord with the Federal Government was the basic cause of the Gerakan split.[230]

Following the split, Dr Lim was left with a narrow and insecure majority in the State Assembly. The State Government was able to survive a crucial DAP-sponsored "no confidence" motion in September 1971 without Alliance votes, thus retaining its bargaining

[228] Information in the following two paragraphs has been compiled from interviews with several Gerakan and ex-Gerakan officials in 1974-75. Also see Ho Sooi Beng, op. cit., pp. 34-7, 61-80; Pillay, "Protection of the Malay Community . . . ", op. cit., pp. 294-5. For references to cooperation between Dr Lim Chong Eu and the Federal Government, see Bob Reece, "Out on a Limb", *Far Eastern Economic Review,* 11 September 1969, p. 644; *Straits Times* (Malaysia), 15 February, 26 March, 4 April, 20 April, 24 May, 14 June, 20 June, 17 July, 6 November, and 10 December 1971, 15 February 1972, and 10 August 1974; *The Star,* 2 March 1972.

[229] One former Gerakan member thought that the Chief Minister favoured a plan which would have had the MCA join Gerakan (interview, 30 April 1975).

[230] The event which elevated the internal dispute in Gerakan to crisis proportions was the Yen-Merbok state by-election in Kedah in late May 1971. Dr Lim was opposed to Gerakan participation because it would unnecessarily antagonize the Alliance, while Syed Hussein Alatas wanted to use the opportunity to introduce Gerakan to the Kedah Malays. A short time later there was a coup attempt against Dr Lim which narrowly failed and this was followed by an open power struggle which culminated in the split. See Ho Sooi Beng, op. cit., pp. 38-45, 61-80; *Straits Times* (Malaysia), 14 June to 31 July 1971.

position.[231] As with all the coalitions, there was no official confirmation of coalition talks until the negotiations were finalized. However, there were rumours of a coalition when Gerakan announced it would support the Alliance candidate in the Muda State by-election in Province Wellesley,[232] and by New Year's Day, 1972 it was known that Tun Razak and Dr Lim Chong Eu were engaged in "hush-hush" high-level coalition negotiations.[233] In February the Coalition Government was officially proclaimed. Through the coalition, Gerakan gained political stability in Penang, which protected the party's base, and federal cooperation for development projects in the state.

The PPP-Alliance Coalition

The agreement to form a Coalition Government in Perak between the PPP and the Alliance was announced by Tun Razak in mid-April and came into effect on 1 May 1972.[234] The coalition was not startling news, following as it did on the heels of the Penang coalition, and rumoured widely in the newspapers beforehand.[235] However, it was perhaps more difficult to comprehend the motives behind this coalition than it had been in Penang. The Alliance and the PPP had been implacable enemies since the 1950s, and in Perak the Alliance was in control of the State Government.

However, the Federal Government had several reasons for seeking a Perak Coalition Government. First, the Alliance, although it formed the Government in Perak after the 1969 elections, did not secure a majority in the State Assembly until two PPP members and one DAP member crossed the floor in July 1970.[236] There was dissension and factionalism within the Perak UMNO at the divisional level and no firm control from the state organization. As a result, Kuala Lumpur

[231] Ibid., 28 September 1971. It was not until Encik Ong Yi How returned to the Gerakan fold on 30 August 1971 that a Gerakan majority in the State Assembly was assured.

[232] Ibid., 6 November and 10 December 1971.

[233] Ibid., 31 December 1971; *Sunday Mail,* 2 January 1972; *Kwong Wah Yit Poh,*3 January 1972, as quoted in *Intisari Akhbar Harian.*

[234] *Straits Times* (Malaysia), 16 and 17 April 1972.

[235] See *China Press,* 9 April 1972; *Straits Echo,* 14 April 1972; *Malayan Thung Pau,* 14 April 1972, as quoted in *Intisari Akhbar Harian.*

[236] *Straits Times* (Malaysia), 9 July 1970.

was concerned about the stability of the Perak State Government.[237] Second, the Federal Government wished to obtain more non-Malay support in Perak to compensate for the weaknesses of the MCA and the MIC. This was both to bolster the multi-racial image of the State Government and to strengthen non-Malay electoral support as a hedge against growing PAS strength in northern Perak.[238] Third, the Alliance wanted to exercise some influence in the running of the Ipoh Municipal Council. Finally, it was thought that reduced political animosity might be of some value in combatting communist terrorism in Perak.

The appeal of coalition for the PPP centred around its control of the Ipoh Municipal Council. The party had been declining as an active political force since the death of D.R. Seenivasagam, the inability of the party to work out a coalition arrangement with the Gerakan to form the Perak State Government in 1969, and the prohibition on discussion of some of its favourite issues by the Constitution (Amendment) Act 1971.[239] The Ipoh Municipal Council was the PPP's remaining political lifeline, and it seemed threatened in 1971 when the Federal Government disclosed that it was abolishing the system of elected local authorities and planning to restructure local government.[240] Additionally, the Municipal Council was having little success in securing state and federal loans and grants for its key projects, or in getting city status for Ipoh. Primarily to protect its control of the Ipoh Municipal Council, and secondarily to secure funds for its projects, the PPP agreed to the Coalition Government.[241]

The terms of the coalition were that the PPP would get one appointment to the State Executive Council and others to various state committees, while the Alliance would get three members appointed to the Municipal Council.[242] The coalition was originally established only

[237] Moore, op. cit., pp. 132-4; Pillay, "Protection of the Malay Community . . .", op. cit. p. 297.

[238] See M.G.G. Pillai, "Redrawing the Battle Lines", *Far Eastern Economic Review,* 26 August 1972, p. 9.

[239] See Pillay, "Protection of the Malay Community . . .", op. cit., pp. 296-7; Harun Hassan and Subky Latif, *Siapa Selapas Tun Razak?* (*Who After Tun Razak?*) (Kuala Lumpur, 1975), p. 144.

[240] *Straits Times* (Malaysia), 8 and 9 July and 11 December 1971.

[241] From interviews with PPP, UMNO and MCA officials in 1975. Also see *Straits Times* (Malaysia), 17 April 1972; *Malayan Thung Pau,* 17 April 1972, as quoted in *Intisari Akhbar Harian; Straits Echo,* 19 April and 1 September 1972.

[242] *Straits Times* (Malaysia), 12 October 1972. Also refer to *Sunday Times* (Malaysia), 30 April 1972.

for that term of the Perak State Government, and, unlike the coalitions in Sarawak and Penang, it was not to extend to the federal level.[243]

The PAS-Alliance Coalition

Considering the years of mistrust and hostility between PAS and the Alliance, and the depth of intensity of their rivalry, it was not unnatural that the coalition between them should take the longest to negotiate. This was also the only coalition where the progress of manoeuvres could be followed in the Press, through a series of "feelers" which graduated upwards in rank, and with considerable shadow-boxing, since neither side wished to appear to be the initiator.[244] UMNO had been wooing PAS for some time and this coalition, though the last of those concluded in Peninsular Malaysia, was the cornerstone of Tun Razak's whole post-May 1969 political strategy. PAS, on the other hand, had appeared uninterested until 1972.[245]

The first formal approach was made in December 1970 by a Deputy Minister (now a Minister), Datuk Samad bin Idris. Speaking in a "personal capacity", Datuk Samad suggested establishing coalition governments in Kelantan and Trengganu to prevent further splits among the Malays.[246] The topic was in the air for the next month and during the UMNO General Assembly, but PAS appeared unenthusiastic and the matter was allowed to die down.[247] The coalition idea was revived again in late April 1972 by a Minister, Encik Ghafar Baba, who said that the Alliance Government was prepared to consider a coalition government in Kelantan.[248] This time some PAS stal-

[243] *Straits Times* (Malaysia), 17 April 1972.

[244] It was still thought that party rank and file and the public in general might misconstrue a coalition initiative as a sign of weakness. In addition, there was a need to protect against loss of face in the event that negotiations collapsed.

[245] However, there was a change in PAS's attitude toward the Federal Government in the post-May 13th period. The PAS Kelantan Government appeared willing to be cooperative and PAS was favourable to NOC rule, supported the Constitution (Amendment) Act 1971, and generally avoided political confrontations (see *Straits Times* (Malaysia), 16 August 1969). Two PAS officials report that Datuk Asri was flown to Kuala Lumpur at the time of the riots to show solidarity and apparently he had talks with Tun Razak about steps to ensure "national security" (interviews, 2 June and 4 July 1975).

[246] *Straits Times* (Malaysia), 17 December 1970.

[247] Ibid., 22 January 1971.

[248] *Sunday Times* (Malaysia), 30 April 1972.

warts, including Encik Abu Bakar Hamzah, Encik Muhammad Fakhruddin, and Encik Wan Ismail, met to discuss the idea, and the consensus of the meeting was that the possibilities of a coalition should be explored. It is unclear whether Datuk Asri remained undecided and uncommitted at this point or whether it was simply too early for him to become publicly involved.[249] It was Encik Abu Bakar Hamzah who became the chief PAS spokesman favouring coalition.[250]

The breakthrough came in June 1972 when Tun Razak in an UMNO Presidential speech offered to cooperate "with any opposition party who wants to cooperate with us".[251] In July, Datuk Asri replied favourably to Tun Razak's speech, at the PAS Congress, and the Congress voted to authorize the PAS Central Executive Committee to work out a PAS-Alliance Coalition Government "at all levels".[252] Four rounds of talks were held before a coalition agreement in principle was announced in September.[253] A PAS Extraordinary Congress gave formal approval to the coalition agreement in December, and Tun Razak announced that the coalition would take effect from 1 January 1973.[254]

The formal terms of the coalition agreement were contained in a thirteen-point joint communiqué signed by Tun Razak and Datuk Asri in the Prime Minister's Department on 28 December 1972. Among the terms agreed to at the federal level, PAS (Datuk Asri) was to be given the Ministry of Land Development and Special Functions, and the same Minister was to be named Deputy Chairman of the National Council of Malaysian Islamic Affairs. PAS was also to get one Deputy Minister, a Parliamentary Secretary, a Political Secretary, and the appointment of a Senator when a vacancy arose. In addition, PAS leaders were to be included in overseas delegations, to be considered for foreign service posts, and to participate on committees,

[249] From interviews with several PAS and ex-PAS officials in 1975.

[250] Ibid. Also see *Straits Times* (Malaysia), 1, 4, and 29 May 1972.

[251] *Sunday Times* (Malaysia), 25 June 1972.

[252] *Straits Times* (Malaysia), 29 and 30 July 1972. The PAS vote was 114—for, 50—against, and 50—abstained. A key point emphasized by PAS and especially by Datuk Asri was that the coalition would have to be at both state and federal levels.

[253] Ibid., 6 September and 22 December 1972.

[254] Ibid., 22 and 23 December 1972. The PAS vote was 190—for, 94—against, and 19—abstained. See also *Berita PAS,* No. 1 (January 1973), pp. 1-7, and Nos. 4/5 (April/May 1973), p. 5.

boards, and corporations. At the state level, two Alliance members were to be named to the Kelantan Executive Council and two PAS members each were to be named to the Executive Councils of Trengganu and Kedah. Agreement was also reached not to contest against each other in by-elections in any constituency formerly won by either PAS or the Alliance.

This was the coalition which Tun Razak and the Alliance, especially UMNO, considered vital to the Government's strategy of reducing "politicking", achieving Malay unity, and devoting all energies to the implementation of the New Economic Policy. The agreement eliminated the threat to UMNO of "outbidding" by PAS, and halted the growing danger of PAS in the northern states. Finally, the coalition allowed the Alliance to participate in the Kelantan State Government, and reduced federal-state tensions there.

The reasons why PAS agreed to the coalition are complex. Publicly, PAS explained its participation as providing a greater Islamic influence in government and promoting national development and national welfare, as well as Malay unity. In Kelantan itself, one of the important reasons for the coalition was to increase federal assistance in the economic development of the state. However, it appears that there were other considerations which influenced the PAS decision to accept the coalition. First, PAS was crippled by the Sedition Act and the Constitution (Amendment) Act 1971, which made it illegal for the party to use some of its major racial and religious campaign issues.[255] In the new political climate, the party was worried about a decline of its power in Kelantan, its political base, and was troubled about defections in the other northern states.[256] Second, PAS desired to share power nationally. It is reported that Datuk Asri wanted to be a Federal Minister, even if it meant having less actual power than as Mentri Besar.[257] Third, there was an internal leadership crisis within the Kelantan PAS. At least two coup attempts were

[255] See *Parliamentary Debates on the Constitution Amendment Bill 1971* (Kuala Lumpur, 1972), p. 235; Marican, op. cit., pp. 169, 211.

[256] The reduced margin of victory in the Tumpat by-election of February 1972 is sometimes mentioned as an indicator of PAS decline in Kelantan. See Alias Muhammad, *Kelantan: Politik Dan Dilemma Pembangunan* (Kuala Lumpur, 1975), pp. 79-89. However, nearly all PAS, UMNO, and MCA officials interviewed on the subject in 1975 believed that PAS could have won again in Kelantan in 1974 without the coalition. For references to PAS defections, see *Straits Times* (Malaysia), 14 and 29 June 1971, and 7 April 1972.

[257] Interview with a PAS official, 1 June 1975.

initiated against the Mentri Besar, one of which nearly toppled him. The coalition was viewed as a way for Datuk Asri to preserve and strengthen his leadership.[258] Finally, there were initial enquiries by the National Bureau of Investigation (NBI) into the activities of the Kelantan State Economic Development Corporation (SEDC) in 1971 which allegedly influenced PAS leaders towards a coalition.[259]

The Formation of the National Front

The term "national front" was apparently first used publicly by Tun Razak in his Hari Kebangsaan eve radio and television broadcast on 30 August 1972, when he said, "Except for a small group, there is a possibility of a national front among political parties to work together in facing national problems."[260] The term at this time appeared to describe the network of coalition agreements which would amount to a "national front" once the PAS-Alliance coalition was concluded. When the coalition agreement with PAS came into effect on 1 January 1973, the Press announced that the Alliance had formed a "national front".[261] Only Tun Razak gave a hint of something more to follow when he said, " . . . we are now closer to the concept of a national front which will in due course become a durable foundation for a strong, united multi-racial Malaysia."[262]

For the next year and a half, the term "national front" remained elusive and undefinable. It was sometimes talked about as if it already existed, and at other times as if it were still to be formed. It was quite often referred to as a "concept", in the sense of an idea, but with little indication as to whether this meant an idea already realized, or to be realized. In September 1973, Datuk Asri cleared up the confusion somewhat when he said that at present a national front had not been formed. He continued to say that there was a trend towards forming a national front but that there was no clear picture of a front yet.[263]

However, by early 1974 it was becoming increasingly clear that

[258] From interviews with PAS and UMNO party members in 1975. Apparently UMNO Kelantan was behind one of the coup attempts.

[259] Ibid. See also Marican, op. cit., pp. 216-19.

[260] *Straits Times* (Malaysia), 31 August 1972.

[261] See *Sunday Times* (Malaysia), 31 December 1972; M.G.G. Pillai, "Consensus Time", *Far Eastern Economic Review,* 15 January 1973, pp. 17-18.

[262] *Straits Times* (Malaysia), 1 January 1973; *The Star,* 1 January 1973.

[263] *Sunday Times* (Malaysia), 16 September 1973.

what Tun Razak meant by a "national front" was a formal organization which would create a permanent coalition.[264] In April, as the first concrete publicized step towards uniting the coalition partners, it was announced that there would be a common national front symbol in the next general elections, and that the Alliance sailing boat would not be used.[265] In May the public was told that it had been agreed by all of the component parties that Tun Razak would have the final say in the selection of all national front candidates in the next general elections, and that the election slogan would be "Support Tun Razak and the National Front".[266]

The process of creating the National Front Government out of the coalitions comprising the "national front" had been so gradual, and the terminology used often so vague, that it was hardly noticed when, on 1 June 1974, the National Front of Malaysia was officially registered as a confederation of political parties.[267] The fact that a new political arrangement had been instituted was brought to the public's attention more forcefully when Tun Razak told the UMNO General Assembly that the "setting up of the National Front is the climax of our political strategies in the 1970s".[268]

A series of public rallies were conducted in June and July to acquaint the public with the National Front symbol and to explain the reasons for the new political arrangement. The National Front would be under the authority of Tun Razak as Chairman, and its basic

[264] The various coalition agreements were theoretically valid only until the next elections. In January, Tun Razak met the representatives of all the component parties to discuss the progress of the coalitions (*Straits Times* (Malaysia), 18 January 1974). In February, the Prime Minister announced there was a good chance of the coalition partners agreeing on a strategy for future elections (ibid., 23 February 1974). In March he announced that talks were under way, with the component parties on a common political platform for the coming general elections (ibid., 15 March 1974).

[265] Ibid., 29 April 1974. This was confirmed by Tun Razak, ibid., 1 May 1974. The common symbol selected was the "scales of justice". At first this was called *neraca* in Malay, but it was later changed to *dacing* when it was discovered that in Sarawak the original word had a bad meaning for some tribal groups.

[266] Ibid., 12 and 20 May 1974.

[267] *The Star,* 2 June 1974. The official Malay name is the Barisan Nasional Malaysia. *Straits Times* (Malaysia) (now the *New Straits Times*) uses the English name, National Front. Some of the other English-language newspapers use the Malay name. Originally, in 1972, the term Barisan Kebangsaan was sometimes used.

[268] *Sunday Times* (Malaysia), 30 June 1974. Also see *Straits Times* (Malaysia), 27 June 1974; *Cabaran Untok Keamanan* (Kuala Lumpur, n.d.), p. 4; *Kearah Perpaduan Kebangsaan* (no. ref.), pp. 2-3, available at UMNO Headquarters.

organization would be similar to that of the Alliance.[269] It was clear that the National Front had superseded the Alliance, and in the *Barisan Nasional Manifesto, 1974,* the former Alliance members were listed individually, along with the other six partners, to comprise the nine-member confederation.[270]

Tun Razak's motives in creating the National Front centre around his strategy for reducing political competition in order to free energies and resources for the implementation of the New Economic Policy (NEP).[271] After May 1969, the UMNO-dominated Government took specific responsibility for improving the economic position of the Malays. This looked to be a difficult task, full of pitfalls and dangers, and it was coupled with the political difference that after May 13th it was openly recognized, down to the kampung level, that UMNO was the decisive political power in Malaysia. This meant that there could be no more scapegoats or excuses based on the necessity of multi-racial compromises. Consequently, as a complement to the NEP, it was no doubt desirable to co-opt or neutralize the Opposition, most especially Malay Opposition. The coalition strategy served both to legitimize UMNO's approach and to reduce criticisms and "out-bidding" by political opponents.[272] Tun Razak noted, "The socio-economic revolution will fail and come to nought, if our socio-political situation is not stable . . . the National Front concept is a positive effort towards reducing political tension so as to allow the Government to concentrate on intensifying development."[273]

[269] The National Front was to be administered by a national Supreme Council (Dewan Tertinggi), State Coordinating Committees, and Divisional Coordinating Committees. These administrative units were not really functional until after the August 1974 general elections.

[270] See "The People's Front for Happier Malaysia", *Barisan Nasional Manifesto, 1974* (Kuala Lumpur, n.d.). In August, Tun Razak answered affirmatively the question, "Is the day of the Alliance over?" However, he then added that the Alliance was in the National Front. As the Alliance was not maintained as a united component in the National Front, Tun Razak could only have meant that the Alliance was in the Front in the sense that the three historic partners were all in the Front (*Straits Times* (Malaysia), 8 August 1974). The Sabah Alliance joined the National Front as a single component. Although ADMO was not ordered to dissolve until early 1975, it was not considered for a place in the Front (see p. 129, fn. 23 above).

[271] See ch. 10 on the NEP.

[272] It is interesting to note that a Federal Minister interviewed (24 March 1975) thought that the one problem with the National Front was that responsibility was not diffused and lack of progress could not be blamed on others.

[273] *Straits Times* (Malaysia), 27 June 1974. A by-lined article by Alias Rahim and Tengku Mohamed reports a Tun Razak speech as saying that the National Front was

Sometimes other reasons are mentioned for the creation of the National Front: for example, that Tun Razak wanted to put his own stamp on Malaysia's political history, or that the National Front helped consolidate Tun Razak's power within UMNO. Whatever the validity of these reasons, it seems likely that the main impetus behind the creation of the National Front was that Tun Razak was intent on the necessity of establishing the broadest possible political consensus in Malaysia.

Tun Razak noted that the National Front was not much different from the Alliance, only larger.[274] It is a broader and more inclusive coalition than that which existed in 1969. However, it is similar to the Alliance of the early 1950s when support for the Alliance was so extensive as to constitute a nearly all-inclusive grand coalition. In conceptual and role terms, the two are alike, each based on the principle of elite accommodation, and, organizationally, the by-laws and Constitutions of both are similar.

There are some differences worth noting, however. First, the dominance of UMNO is more pronounced in the National Front than it was in the Alliance.[275] Second, the National Front includes several non-exclusively communal parties. Finally, some communal groups are represented by more than one party within the National Front.[276]

Other Major Developments, 1972-74

In addition to the coalition agreements and the creation of the National Front, there were a number of other major political events which transpired during 1972-74.

created to avoid possible anarchy due to the failure of development efforts (*New Straits Times,* 20 June 1975). Several times Tun Razak stated that after the May 13th watershed, UMNO could have ruled alone, but in the interests of national unity, it was decided to seek the cooperation of other political parties. See *The Star,* 10 March 1974; *Straits Times* (Malaysia), 8 August 1974. Also see Lim Kean Siew, "The National Front—and its Component Parties", *The Guardian,* Vol. 6, No. 6 (1974), pp. 3 and 5.

[274] *Pelopor* (UMNO publication), No. 3 (1975), pp. 15-16.

[275] R.S. Milne, "Malaysia and Singapore, 1975", *Asian Survey,* Vol. XVI, No. 2 (1976), p. 186.

[276] As one MCA official put it, the National Front is different from the Alliance in that the MCA cannot be blamed for many things now that there are other Chinese-based parties in the coalition and because of the acknowledged dominance of UMNO in the Government (interview, 26 March 1975). However, this situation has meant that rivalries between the parties whose support is based on the same community have had to be contained. Thus far the strong leadership of the Front Chairman has enforced discipline between the parties.

Most important was the sudden death of the strong and respected Deputy Prime Minister, Tun (Dr) Ismail, on 3 August 1973, and the selection of his successor. Unlike previously, the choice of a successor this time was not clear-cut. However, after some bids were made, Tun Razak managed to win over the other UMNO claimants to his choice. On 9 August Datuk Hussein Onn was unanimously elected UMNO Deputy President by the UMNO Supreme Council, and on 13 August Tun Razak named him Deputy Prime Minister.[277]

The annual UMNO General Assemblies, and UMNO Youth and Wanita Assemblies, are always of prime political importance in Malaysia. In the June 1972 General Assembly, Datuk Hussein Onn was elected an UMNO Vice-President, which was crucial for his later succession to Tun (Dr) Ismail, and Dr Mahathir, just readmitted to the party in March, received the largest number of votes to the Supreme Council.[278] The 1973 General Assembly held no elections and the whole proceedings were closed to the Press for the first time. Discussion focused on the coalition agreements and the direction of foreign policy. In the Youth and Wanita Assembly, Tun (Dr) Ismail warned of the dangers of factionalism in the party.[279] At the 25th UMNO General Assembly in June 1974, party business centred around proposed amendments to the UMNO Constitution.[280] The most significant amendment was designed to stop the practice of vote-buying by setting a maximum limit to the number of delegates allowed for each division and branch. The approval of this amendment and several others was viewed as increasing the power of the national UMNO leadership. In the Youth and Wanita Assembly it was an election year, and the President of UMNO Youth, Dato Harun, found himself opposed by Datuk Samad Idris. It was reported in the Press, and subsequently denied, that Tun Razak supported the challenger.[281] Dato Harun was re-elected, but the episode suggested that serious factions and divisions existed within the party.

The 1972-74 period was one of turmoil for the MCA. Its problems

[277] *Straits Times* (Malaysia), 10 and 14 August 1973; M.G.G. Pillai, "The Road to the Top", *Far Eastern Economic Review*, 3 September 1973, pp. 23-4.

[278] *Straits Times* (Malaysia), 25 June 1972.

[279] Ibid., 30 June 1973; *Sunday Times* (Malaysia), 1 July 1973.

[280] *Utusan Melayu*, 25 June 1974, as quoted in *Intisari Akhbar Harian; Sunday Times* (Malaysia), 30 June 1974.

[281] *Straits Times* (Malaysia), 26 and 27 June 1974.

began when the party's rejuvenation efforts declined into a power struggle. The Alliance coalition agreements with Gerakan and the PPP heightened the conflict to crisis proportions. In April 1972, a leading section of the Perak MCA strongly opposed the coalition with the PPP.[282] This led to the expulsion of two Perak MCA Task Force leaders, and an escalating conflict that eventually resulted in the expulsion or resignation of most of the "new bloods".[283]

During the same period, the MCA reportedly engaged in a series of merger talks with the DAP, Gerakan and the PPP, in an effort to gain more support from the Chinese community and to strengthen its position in the Alliance.[284] However, no agreements were reached.

As plans for a National Front developed, the MCA became increasingly alarmed that its position might be weakened in any new arrangement. In late 1973 the MCA voiced its apprehensions, saying that "the MCA must not allow itself to play a diminished role", and that the party could not accept a compromise on the number of seats for the MCA.[285] In March 1974, both the Penang and Perak MCA organizations declared their opposition to the National Front concept and said they intended to contest all their traditional seats.[286] While many MCA members were reluctant to cooperate with the new coalition partners, the main obstacle concerned the distribution of electoral seats.[287]

On 8 April 1974, the President of the MCA and the Minister of Finance, Tun Tan Siew Sin, just recovering from a serious operation, announced that he was retiring. The new Acting President, Datuk Lee San Choon, inherited the MCA's political dilemma. On 17 April the MCA Central Committee issued a policy statement declaring that it

[282] Ibid., 17-19 April, and 23 May 1972; M.G.G. Pillai, "Redrawing the Battle Lines", *Far Eastern Economic Review,* 26 August 1972, p. 9.

[283] See *Straits Times* (Malaysia), 27 April, 1 September and 24 November 1972, 1-3 March, 7, 10-15 and 20 May, 1-4 and 10 June 1973.

[284] See *Straits Times* (Malaysia), 11 July 1972 Editorial on the secret MCA-DAP talks. Also see ibid., 10-12 July 1971. For other merger talks, see ibid., 25-26 August and 4 September 1972, 9-12 and 16-17 January 1973.

[285] *The Guardian,* Vol. 5, No. 1 (1973), p. 6. On 30 December 1973, the MCA Central Working Committee adopted a 22-point declaration concerning its role in view of the formation of the National Front (*Straits Times* (Malaysia), 2 January 1974).

[286] *Sunday Times* (Malaysia), 10 March 1974; *Straits Times* (Malaysia), 15 and 28-29 March 1974.

[287] *Kwong Wah Yit Poh,* 15 April 1974, as quoted in *Intisari Akhbar Harian.*

agreed with the National Front concept and was willing to enter into serious discussion with the other parties, so long as "by being in the National Front the MCA will not lose its identity as the vehicle for the channelling of the political aspirations of the Chinese."[288] With the tone set by the policy statement, and Datuk Hussein Onn's assurance that the MCA would not be disadvantaged, the MCA leadership moved cautiously to bring round the rank and file gradually to affirm the MCA's participation in the National Front.[289] Although in July Tun Razak told the MCA publicly that it was "no longer the sole representative of the Chinese community in the National Front", and the party was eventually given fewer seats than in 1969, the MCA still did much better in its negotiations than had seemed possible only a short time before.[290]

For several years the MIC was "virtually stagnant . . . Many, if not most, of the branches [were] defunct, the occasional brawl being the only sign of life."[291] The difficulties of the MIC centred around a lengthy leadership struggle between the President, Tun V.T. Sambanthan, and his Deputy, Tan Sri V. Manickavasagam, which divided the MIC into antagonistic camps. Tun Razak was finally asked to mediate and he worked out a compromise solution. Faithful to the compromise terms, Tun Sambanthan announced he would resign on 30 June 1973, and on that day Tan Sri Manickavasagam was unanimously elected the MIC President.[292] With the crisis inside the party resolved, the new MIC leadership began a determined effort to reunite and revitalize the party. By election time, 1974, the MIC again showed signs of being ready to represent the interests of the Indian community from within the ruling coalition.

There were some important events concerning the other component

[288] *Straits Times* (Malaysia), 10, 18 and 19 April 1974. Insofar as the political role of the MCA was concerned, the absence of specific terms for the National Front added to the MCA's doubts. Datuk Lee noted that "we still have to see how the concept is to be implemented and what form it is to take" (ibid., 18 April 1974). The Press generally treated the MCA policy statement as unconciliatory. See ibid., 19 April 1974; *Sunday Mail,* 21 April 1974.

[289] *Straits Times* (Malaysia), 17 May 1974; *The Guardian,* Vol. 6, No. 4 (1974), p. 3; ibid., Vol. 6, No. 7 (1974), p. 2.

[290] *Straits Times* (Malaysia), 22 July 1974.

[291] Ibid., 25 August 1973. For the beginnings of the MIC power struggle see ibid., 5-9 August 1971.

[292] Ibid., 28-30 June 1973; *Sunday Times* (Malaysia), 1 July 1973.

parties of the National Front during this period. PAS had to deal with internal dissension: against the coalition and against the leadership of Datuk Asri. In April 1974, Senator Abu Bakar Hamzah and several others were expelled from the party, and in Kelantan, a PAS group opposed to corruption and the leadership of Datuk Asri led the so-called "March 14th Revolt", which ended in their expulsions.[293] By June 1974, most of the dissidents were either silent or had been expelled, and at the PAS 20th Congress, the party voted 275-19 in favour of participating in the National Front.[294]

Gerakan, in late 1973 and early 1974, admitted into the party many of the ex-MCA "new bloods", including Dr Lim Keng Yaik, and nearly overnight acquired organizations in Perak and Selangor.[295] With the new additions and the excitement created by them, Gerakan appeared to be developing into a party with national appeal, and relations with the MCA deteriorated further. However, as the election drew near, Gerakan was content to concentrate its energies on protecting its Penang base.

In Sarawak, Bumiputera and Pesaka of the Sarawak Alliance merged in early 1973 to form Party Pesaka Bumiputera Bersatu (PBB).[296] The merger was intended to foster native unity, but also it was believed that Pesaka would be better off inside a more structured organization, and additionally it was thought that the merger would reduce possible friction over seat allocations in future elections.[297] In June 1974, the PBB became the sole component of the Sarawak

[293] *Straits Times* (Malaysia), 26 January, 27 April and 15 June 1974. According to an informant, the "March 14th" group approached Datuk Asri directly instead of using a coup technique. Datuk Asri responded by expelling all of them and the group was not able to put its case to the PAS Congress, though it did circulate documents at the Congress (interview with a former PAS official, 2 June 1975).

[294] *Straits Times* (Malaysia), 16 June 1974; *Utusan Malaysia,* 14 June 1974, as quoted in *Intisari Akhbar Harian.*

[295] *Straits Times* (Malaysia), 13 and 15 October and 23 December 1973, 10 January 1974; *Straits Echo,* 25 December 1973; *The Star,* 4 and 8 January 1974.

[296] A merger proposal was apparently first discussed by the Sarawak Alliance in October 1971. By early 1972 Pesaka leaders were said to be in agreement with the scheme, but were concerned about branch-level dissatisfaction and possible defections to SNAP. The first PBB General Assembly was not held until July 1974, when it was opened by Tun Razak in Kuching. See Leigh, op. cit., p. 151; *Report for Presentation to Sarawak Alliance National Council, October 1971* (mimeo., confidential); *Straits Times* (Malaysia), 15 July 1974; *The Vanguard,* 18 July 1974.

[297] Interview with a PBB (Pesaka) official, 17 July 1974.

Alliance when the SCA was dissolved.[298]

A new opposition party, Pekemas (Partai Keadilan Masharakat, or Social Justice Party) was formed in the middle of 1971. It was established by former members of Gerakan, including five members of Parliament, who had split from the party. The first meeting of Pekemas was held on 19 September 1971, and Dr Tan Chee Khoon became the President.[299]

Pekemas was formed as a multi-racial party based on the principles of social justice; it had strong trade union connections, and was dedicated to improving the conditions of the poor. As a moderate opposition party, the most radical proposal to emerge from its first meeting was one calling for free university education. Increasingly, Pekemas came to reflect the views of its leader, Dr Tan Chee Khoon, respected as a principled and loyal opponent by the Government. Dr Tan and Pekemas opposed corruption and repression, and criticized the Government's performance and policies. Believing in the necessity of an Opposition in a parliamentary democracy, Dr Tan has refused to consider joining the National Front, and has spoken against the idea of one-party rule.[300] A strong campaign plank of Pekemas has been to deny the Government the two-thirds majority in Parliament it needs to alter the Constitution.[301] However, Dr Tan acknowledges that "Malay leadership . . . is a fact of life that has to be accepted".

Pekemas took the initiative in early 1974 in trying to establish a united Opposition for the approaching general elections. These efforts proved unsuccessful, although in July 1974 the small Party Marhaen Malaysia of Encik Ahmad Boestamam did merge with it.[302]

The 1974 General Elections

On 28 July 1974, Tun Razak announced that the allocation of seats to the component parties of the National Front had been finalized, and

[298] The SCA was finding campaigning too expensive for the limited rewards the party was receiving (interview with a former SCA official, 17 July 1974). Evidently the decision to dissolve was taken at a 17 May 1974 SCA meeting, but later the legality of the decision was questioned by some members since the motion had not been on the agenda (interview with a former SCA official, 19 July 1974).

[299] *Straits Times* (Malaysia), 21 September 1971. Professor Syed Hussein Alatas was to have become the Chairman of Pekemas, but quit the party in October (ibid., 10 October 1971).

[300] *Straits Times* (Malaysia), 3 April 1973 (Adibah Amin). Dr Tan noted, "We too have been invited to tea, but we will not come."

[301] Ibid., 2 April 1973 (Adibah Amin).

[302] *Straits Times* (Malaysia), 19 July 1974.

added, "We are ready for the elections."[303] Two days later Parliament was dissolved, and the long-anticipated general elections were set for 24 August. The parliamentary elections would be for 154 seats, an increase of ten, and state assembly elections would be held in all states except Sabah.[304]

The National Front put up candidates for all the parliamentary seats (114 in Peninsular Malaysia, 16 in Sabah, and 24 in Sarawak). On Nomination Day, 47 National Front parliamentary candidates were returned unopposed, leaving the National Front only 31 seats short of a clear majority.[305] Of the 360 state assembly seats up for election, 43 National Front candidates were returned unopposed.

Once again, the parliamentary elections were more in the nature of a referendum than a contest to see which party would form the Government. Tun Razak, speaking before Nomination Day, said he expected 80 per cent of the electorate to support the National Front.[306] The key questions for the Front were how many non-Malays would vote for the party, and what would be the extent of disaffection among PAS supporters. At the state level, there were some potentially "difficult" areas, namely Penang, Perak, Selangor, Trengganu, and possibly Sarawak, but only Penang seemed to be in some real danger.[307]

Restricted by the Sedition Act, campaigning centred around personalities of candidates and the state of the economy, especially inflation and the implementation of the NEP. It was expected that in this first post-May 1969 general elections, the mood of the electorate would be cautious.

The National Front campaigned on six basic issues: unity, the

303 *Straits Times* (Singapore), 29 July 1974.

304 Ibid., 23 July 1974. Sabah held elections for the State Assembly in 1971, and decided to allow the Assembly to run its full course.

305 *Straits Times* (Malaysia), 9 August 1974. In Peninsular Malaysia, most of the parliamentary candidates returned unopposed were from UMNO and PAS. Two MCA candidates were not opposed. In Sabah, 15 of the 16 parliamentary seats were not contested.

306 "Tun Expects a Landslide", by Lee Siew Yee, Samad Ismail, and Noordin Sopiee, *Straits Times* (Malaysia), 8 August 1974.

307 However, one highly placed UMNO official noted that there had been real concern about Trengganu (interview, 21 March 1975). In *Straits Times* (Malaysia), 14 August 1974, Datuk Hussein Onn warned that the Federal Government would not cooperate or support a State Government in Trengganu formed by PSRM. The Federal Government, as always, tended to be very tough where a Malay state was concerned. See also M.G.G. Pillai, "Malaysia: Razak's Overkill", *Far Eastern Economic Review,* 23 August 1974, p. 26.

economy, foreign policy, security, religion, and social services. *The Barisan Nasional Manifesto, 1974,* representing a minimal general platform, explained the rationale and aims of the Front, and outlined the Government's progress in the fields of economy and foreign policy.[308] In actuality, the Front campaign focused primarily on the theme of a vote of confidence in Tun Razak.[309] The Prime Minister himself constantly explained the need for political consensus and reducing "politicking" and also warned the Chinese and Indians that they must vote for the National Front non-Malay candidates if they wanted a multi-racial government and not a Malay government.[310] Within the Front's broad policy outlines, the component parties stressed the issues most appealing to each party's respective audience. The MCA and the PPP, for instance, played up Tun Razak's visit to China; the Gerakan in Penang concentrated on the state's economic revival and the Federal Government's pledges for the future; PAS emphasized the need for Malay unity.

The DAP's campaign was basically negative. The party appeared determined to destroy the other opposition parties, particularly Pekemas, so that it could establish itself as *the* opposition party.[311] In its attacks on the National Front, the DAP called the arrangement a total political surrender rather than political accommodation, and accused the Government of seeking to move towards a one-party state.[312] The PPP and Gerakan came under especially heavy attack from the DAP, who accused them of betrayal and having sacrificed political principles for position, office, and profit.[313]

Pekemas, after futile efforts to arrange a united Opposition, found itself attacked as aggressively by the DAP as by the National Front. Its campaign was low-keyed, emphasizing the party's stand on the

[308] *Straits Times* (Malaysia), 5 and 8 August 1974.

[309] All National Front posters, except a few paid for by individual candidates, featured a picture of Tun Razak and the National Front name and symbol.

[310] *Sunday Times* (Malaysia), 11 August 1974.

[311] *Straits Times* (Malaysia), 16 and 21 August 1974. For an analysis of the major opposition parties, see "Nothing Has Been Left to Chance . . .", by Ernest Corea, *Straits Times* (Singapore), 24 August 1974.

[312] *The Rocket,* Vol. 9, No. 2 (1974); *Coalition Politics in Malaysia* (Kuala Lumpur, n.d.), reprint of a speech by Encik Lim Kit Siang on 25 August 1972.

[313] "Expose the National Fraud of the National Front", *1974 General Elections Manifesto of the DAP* (Kuala Lumpur, n.d.).

"principles of democratic socialism", and calling for free primary to university education for all, some nationalization, and a national social security scheme.[314] The party's main emotional appeal was a plea to the voters to deny the National Front a two-thirds majority in Parliament.

The Malay-based PSRM surprised and alarmed the National Front on Nomination Day when it became apparent that the party was concentrating on gaining a foothold in Trengganu. The party chose Trengganu because it was economically backward and had numerous anti-coalition dissidents, and because the PSRM had built up some support and machinery in the state.[315] The PSRM campaigned on an 11-point manifesto promising a better deal, especially for rural peasants, through extensive socialist measures.[316]

A couple of minor parties, Kesatuan Insaf Tanah Air (KITA) and Independent People's Progressive Party (IPPP), participated in the elections, but it was a newly formed group in Kelantan calling itself Barisan Bebas or United Independents which created the most interest.[317] The main thrust of the Barisan Bebas was its opposition to corruption and nepotism in the Kelantan State Government.

In Sabah, with the lone Pekemas candidate who managed to file and have his nomination papers accepted, facing the full force of Tun Mustapha's party and government machinery, it was really no contest. The main interest revolved around Dr Tan Chee Khoon's call to the Prime Minister for an investigation into election irregularities in the state.[318] In general elections earmarked for a landslide, the alleged heavy-handed tactics in Sabah were threatening to become an embarrassment to the Federal Government.

The multi-racial but primarily Iban-supported SNAP provided the challenge to the National Front in Sarawak.[319] Known for its

[314] *Straits Times* (Malaysia), 14 August 1974.

[315] Interview with Encik Kassim Ahmad, 4 May 1975. Also see "Socialists Keep On Soldiering", by Samad Ismail, *Straits Times* (Malaysia), 22 August 1974.

[316] Ibid., 12 August 1974.

[317] The Barisan Bebas was not registered as a political party. See "Rebels Without a Cause", by Samad Ismail, ibid., 20 August 1974; "The Challenge to the National Front", by Noordin Sopiee, ibid., 6 August 1974.

[318] *Straits Times* (Singapore), 17 August 1974. See p. 117, fn. 75.

[319] A minor party known as Party Bisamah, representing some of the Bidayuh, contested for the first time by putting up four candidates in state seats.

"Sarawak for the Sarawakians" position, SNAP campaigned on the issues of nepotism, corruption and wastage of public money in the state.[320] One of the big questions of the elections was the effect of the coalition on SUPP's voter appeal, and SNAP put up a number of Chinese candidates in the hope of moving into some SUPP strongholds.

The results gave the National Front a massive victory. It won 135 of 154 parliamentary seats (104 in Peninsular Malaysia, 16 in Sabah and 15 in Sarawak).[321] This gave the National Front approximately 87 per cent of the federal seats and 59 per cent of the popular vote (however, the popular vote total is deceptively low since no votes are tallied for those candidates returned unopposed).[322] Of the remaining parliamentary seats, DAP won 9 and Pekemas 1 in Peninsular Malaysia, and SNAP won 9 in Sarawak. At the state level, the National Front won clear control of every state assembly. Neither UMNO nor PAS lost any federal seats, and only a total of four Malay National Front state candidates lost, all to Independents.[323] The MIC won all its parliamentary seats and lost only one state seat; the MCA made a comeback with victories in 19 of 23 parliamentary seats and in 43 of 57 state seats; and Gerakan won 5 of 8 parliamentary seats and 13 of 18 state seats, 11 of which were in Penang. Only the PPP did poorly, winning only 1 of 4 parliamentary seats and 2 of 9 state seats, and with its President, Dato Sri S.P. Seenivasagam, being defeated in both his parliamentary and state seats.[324]

The DAP roughly held its ground, but fell below expectations in Penang, where it was thought it had a good chance of capturing the State Government. Pekemas declined badly, winning only one parliamentary and one state seat, and the PSRM, Barisan Bebas, KITA, and IPPP won no seats at all. However, in Trengganu the

[320] "Battle for Votes in the Longhouses", by P.C. Shivadas, *Straits Times* (Malaysia), 14 August 1974.

[321] See Table B, p. 158 above.

[322] "Electing to be Moderate", by Harvey Stockwin, *Far Eastern Economic Review*, 6 September 1974, pp. 10-12.

[323] Chandrasekaran Pillay, *The 1974 General Elections in Malaysia, A Post-Mortem* (Singapore, Institute of Southeast Asian Studies, Occasional Paper No. 25, 1974), p. 4.

[324] *Straits Times* (Malaysia), 26 August 1974; "Triumph—And Blighted Hopes", by Noordin Sopiee and Etty Ibrahim, ibid., 29 August 1974; "The PPP 'down but not out'" by Joseph Sossai, *New Straits Times*, 21 September 1974.

PSRM did capture 30 per cent of the popular vote in both its parliamentary and state seats, and in Kelantan, the Barisan Bebas won more than 23 per cent of the vote in the state seats it contested.[325]

In Sarawak, SNAP demonstrated its continuing voter appeal by winning 9 parliamentary seats and 18 of 48 state seats, an increase of 8 seats.[326] The National Front won 15 federal seats and 30 state seats, with 18 of the latter going to PBB and 12 to SUPP. It was expected that SUPP would lose some support, and, although it did slightly better than predicted, it suffered a blow when its Secretary-General and Deputy Chief Minister, Datuk Stephen Yong, lost his state seat.[327]

The election results were not a surprise, except perhaps in the size of the National Front majority. Tun Razak was not just aiming for a victory, he wanted to win at least a two-thirds majority in Parliament, control of all the State Assemblies, and a decisive mandate to carry on with his political and socio-economic policies. All these he got. There are a number of reasons for the National Front election win.[328] First, the electorate, who still retained memories of 1969, agreed with Tun Razak's politics of accommodation and stability. Second, the Malay vote was very nearly solid, and the non-Malay voters were cautious, thus minimizing the protest vote. Third, the election machinery, organization, and finances of the National Front could not be matched by the Opposition. Fourth, the Opposition split their vote by competing against each other, unlike in 1969. Finally, the National Front's efforts were greatly enhanced by the stature of Tun Razak himself.

The Consolidation of the National Front

Organizationally, the National Front was not fully functioning until after the 1974 general elections. Before that, according to its Constitution, the National Front existed only at the national level.[329] Even then, the organization's central headquarters was merely that of the

[325] "The Terrible Swath of Victory", by Samad Ismail, *Straits Times* (Malaysia), 28 August 1974.

[326] "Setbacks But Still A Good Majority", by P.C. Shivadas, *New Straits Times,* 17 September 1974; "Razak's Frail Eastern Front", by M.G.G. Pillai, *Far Eastern Economic Review,* 27 September 1974, p. 13.

[327] See *New Straits Times,* 11 September 1974.

[328] See "Electing to be Moderate", op. cit., pp. 10-12; Pillay, *The 1969 General Elections in Malaysia, A Post-Mortem,* op. cit., pp. 1-19.

[329] See *Perlembagaan Barisan Nasional Malaysia* (Kuala Lumpur, 1974), pp. 1-6.

Alliance with a new name, and policy discussion was conducted among the elite, informally or in the Cabinet. At state and divisional levels, the National Front functioned through the coalition coordinating committees and the former Alliance organizations.

It was not until 6 November 1974 that the National Front's Supreme Council met for the first time. It was decided that all coalition coordinating committees and similar Alliance bodies would be dissolved and replaced by National Front state and divisional coordinating committees. A special committee was set up to work out the necessary amendments to the Constitution. Following a meeting of the Secretaries-General of the component parties, and the report of the special committee, the Supreme Council in January 1975 approved the National Front's new Constitution.[330] With these changes, the basic organizational structure of the National Front appeared set, though minor alterations of the by-laws continued.[331] Further organizational consolidation in the near future appears unlikely so long as the component parties wish to maintain their individual identities and party organizations.

The 1975 UMNO General Assembly

The 26th UMNO General Assembly in June 1975 was considered a major political event. This was not because of any policy decisions taken; indeed, most of the resolutions were passed without debate.[332] It was the triennial elections to the three posts of UMNO Vice-President and to the twenty Supreme Council seats that were deemed crucial to the future pattern of UMNO leadership. To some observers, this was Malaysia's "real" election.[333] The fact that there was a vacancy for Vice-President, that the Deputy Prime Minister and UMNO Deputy President, Datuk Hussein Onn, was recovering from a heart attack, and that rumours were circulating that Tun Razak might retire after the next general elections, gave the UMNO elections a sense of great importance. It was nearly a certainty that if anything

[330] *New Straits Times,* 11 January 1975.

[331] For example, it was decided at the second Secretaries-General meeting that a component party would now have to seek the approval of the Supreme Council before it could admit ex-members of other component parties (*The Star,* 22 March 1975).

[332] *New Sunday Times,* 22 June 1975. The debate on the resolutions had been expected to last two days.

[333] "Preparing for a Slugging Match", by a Correspondent, *Far Eastern Economic Review,* 30 May 1975, pp. 24-5; *New Straits Times,* 19 June 1975.

happened to Tun Razak or Datuk Hussein Onn in the next three years, a replacement would come from the ranks of the Vice-Presidents. In fact, the struggle over the heir-apparency had been building up momentum for several years, and Tun Razak chose not to dampen the struggle by naming a successor.[334]

There were some new voting rules in this General Assembly in addition to a ruling made in the previous General Assembly to stop the practice of "vote-buying" by putting a ceiling on the number of delegates from each division. For the first time, the vote would be secret in order to try to eliminate "block-voting"[335] by states. Second, it was necessary this time for each delegate to cast all three, or twenty, votes for the ballots to be valid. Despite the new rules, it was apparent that some of the more tightly controlled and disciplined state delegations would still be likely to vote as a block, and while "wasting votes" could no longer mean leaving blanks, it could still mean voting for weaker and non-threatening candidates for the other slots. Nonetheless, the new rules reduced "horse-trading" somewhat, and added an extra touch of uncertainty to the outcome.

There were eight candidates for the three vice-presidential posts.[336] Two of the candidates, incumbent Encik Ghafar Baba and nominated incumbent Vice-President Tengku Razaleigh, were strong favourites. The real contest, for the third post, was between Dr Mahathir and Dato Harun.[337] The stakes in the contest were raised by the involvement of the top leadership. After some hesitation, Tun Razak decided to name the "government team" in his Presidential Address. Though this was done subtly and indirectly, Tun Razak's choices were clear to the delegates: Encik Ghafar Baba, Tengku Razaleigh, and Dr Mahathir.[338] Further, the barrage of messages about the value of

[334] *Straits Echo,* 12 March 1975.

[335] That is, casting all the votes from the state for the same candidate(s) usually at the direction of the Mentri Besar or Chief Minister.

[336] *The Star,* 19 June 1975. There were more than sixty candidates for the twenty Supreme Council seats.

[337] Since Tan Sri Jaafar Albar was counting on UMNO Youth support his chances declined after Dato Harun announced his candidacy in late May (*New Straits Times,* 31 May 1975).

[338] Interviews with two UMNO officials 12 and 25 June 1975. Tun Razak was concerned about avoiding any split in UMNO, about not appearing to dictate the vote, and about the possible consequences of naming a non-winner. Evidently, during his Presidential Address, Tun Razak, off the cuff, added words of praise for Dato Harun. However, since the order of praise had indicated the "government's team", this was not confusing to the delegates.

"honesty" was not lost on the delegates.[339]

When the votes were tallied, the "government team" had won: Encik Ghafar Baba (838), Tengku Razaleigh (642), and Dr Mahathir (474). However, Dato Harun, in fourth place, received 427 votes. In the Supreme Council elections which followed, 16 of the 20 elected were incumbents, and only 1 of the 7 candidates from the Youth wing was elected. The elections were seen as a vote of confidence in the top leadership and for political moderation.[340]

Malaysia Under Datuk Hussein Onn

On 14 January 1976, the Prime Minister, Tun Abdul Razak, died unexpectedly in London after a secret six-year battle with leukaemia. The next day, Datuk Hussein Onn was sworn in as the new Prime Minister. Although political polemics ceased in the crisis, in a nation where political stability is based on elite accommodation the death of a member of the political elite, most especially the top member, is traumatic. Despite the smooth transfer of power, the change meant not only that a new person would be dealing with important unfinished business, but also that a decision would have to be made on the succession issue by naming a Deputy Prime Minister.[341]

Datuk Hussein Onn's views were known to be moderate, and in the same mould as the late Prime Minister's. However, there were numerous questions which had not been considered, simply because Datuk Hussein Onn had not been thought of as the likely heir. He was still recovering from the after-effects of a heart attack, and before Tun Razak died, there were rumours that he wanted to retire as Deputy Prime Minister in a few months' time. Also, while widely respected, Datuk Hussein Onn was "regarded as a man who dislikes the intrigue and manoeuvring of party politics", and he was thought not to have a firm power base within UMNO.[342] The unfinished business in Sabah, the dissension within UMNO, and the corruption

[339] *The Star,* 21 June 1975; *New Sunday Times,* 22 June 1975.

[340] *Malay Mail,* 23 June 1975.

[341] *New Straits Times,* 16 January 1976. In Harun Hassan and Subky Latif, op. cit., pp. 1-22, the authors, apparently unaware that Tun Razak was dying, speculate on the succession to the Prime Ministership. For a biography of Tun Razak, see William Shaw, *Tun Razak: His Life and Times* (Kuala Lumpur, 1976).

[342] "Malaysia's Leadership Crisis", by K. Das, *Far Eastern Economic Review,* 23 January 1976.

case against Dato Harun had already been testing the political acumen of Tun Razak, who was secure and unchallenged in his authority. Further, the compromises worked out by the National Front partners had been accepted, at least partly, on the basis of personal confidence in Tun Razak. There were also problems in finalizing the already-delayed Third Malaysia Plan, and of meeting the increasing internal security difficulties caused by a new phase of guerilla warfare. How Datuk Hussein Onn would handle these problems, and with what resolve and authority, were important questions.

In his first week in office, Datuk Hussein Onn received a pledge of support from his Cabinet, was confirmed by the UMNO Supreme Council as the Acting President of the party until the next UMNO elections in 1978, and was named Chairman of the National Front by the leaders of the component parties. He announced that he would carry on the policies of Tun Razak, and that there would be no Cabinet changes for the time being.[343] It was thought by some that the Prime Minister would make no major moves until he could gauge, and if necessary fortify, his support within UMNO.[344]

The Case Against Dato Harun

In early 1974, the students at the Universiti Kebangsaan criticized the Banggi Timber concession, a deal which involved the Mentri Besar of Selangor, Dato Harun, and Tun Razak ordered an NBI investigation into the matter.[345] Then, after some delay, in November 1975, Dato Harun was arrested on sixteen charges of corruption.[346] In March 1976 a new set of charges involving bank fraud was levelled against Dato Harun. His trial on the first set of charges began in April, and on 18 May 1976 he was found guilty and was sentenced to two years' imprisonment. The next day Dato Harun filed an appeal against the verdict and the sentence. His second trial was held between August

[343] *New Sunday Times,* 18 January 1976.

[344] "Hussein Onn: Doing It His Way", by K. Das, *Far Eastern Economic Review,* 6 February 1976, pp. 10-11.

[345] In July 1974, and again in October 1975, Tun Razak reported that the NBI had not completed its investigations into allegations of corruption against Dato Harun. See *Straits Times* (Malaysia), 25 July 1974; *New Straits Times,* 28 October 1975.

[346] The charges were for corruption, misappropriation, criminal breach of trust, and failure to furnish the Government with a statement of certain assets (*New Straits Times,* 25 November 1975). The charges were amended in January and February 1976.

and early November 1976. On 24 January 1977, Dato Harun was found guilty of forgery with the intention of cheating, and he was sentenced to six months in jail and a fine of M$15,000. An appeal has been filed.

The corruption case against the former Mentri Besar and former President of UMNO Youth, who was considered an able administrator and who was capable of arousing deep political loyalties, has had much political significance. Testimony at the second trial made extensive reference to the events of June-November 1975 leading to Dato Harun's arrest, to Tun Razak's alleged approval of the Ali-Bugner fight plans, and to allegations that Tun Razak's advisors had isolated and misdirected him.[347] However, the move that created the most controversy was the UMNO Supreme Council's decision on 18 March 1976 to expel Dato Harun from the party.[348] This move was opposed by a number of "old guard" UMNO members as well as a sizeable proportion of UMNO Youth. To some observers, it was the gravest internal crisis in UMNO since Dato Onn bin Jaafar's resignation in 1952.[349] The cause of the expulsion was that the Supreme Council felt that Dato Harun's activities and actions had contravened the spirit of the Supreme Council decision of 30 November 1975 (that he should take leave and refrain from political activity), and that his actions were creating disunity in UMNO and anxiety among the people.[350] However, as is discussed later in this chapter, Dato Harun was readmitted as a member of UMNO by the UMNO Supreme Council on 23 October 1976.[351]

For the most part, Dato Harun seemed to understand the "rules of the game", but he apparently miscalculated on several points. First,

[347] The second trial was reported extensively in the *New Straits Times* from 25 August to 10 November 1976. Some of the more important testimony was reported, ibid., on the following dates: 8, 23 September, 5-6, 20, 23, 26 October, and 10 November. Two others were charged along with Dato Harun in this trial. Also see "Harun Loses Another Round", by K. Das, *Far Eastern Economic Review,* 4 February 1977, pp. 13-14. Dato Harun was given the lightest sentence possible under the law. The other two on trial with Dato Harun, Encik Ismail Din and Datuk Abu Mansor Basir, were also convicted.

[348] *New Straits Times,* 20 March 1976; "Harun: Hussein Strikes", by K. Das, *Far Eastern Economic Review,* 26 March 1976, pp. 11-12.

[349] "Harun: Selangor Says No", by K. Das, ibid., 2 April 1976, pp. 8-9.

[350] *New Straits Times,* 20 March 1976.

[351] "Hussein Gives Harun the Party Nod", by K. Das, *Far Eastern Economic Review,* 5 November 1976, pp. 10-11.

he allowed a situation to develop wherein allegations of corruption against him became widespread and public. Second, Dato Harun apparently rejected an offer to leave the scene as Malaysia's Permanent Representative to the United Nations until it was too late.[352] Third, he attempted to protect himself from the charges by building up his political power base, both by contesting the vice-presidential elections in the 1975 UMNO General Assembly and by actively trying to solicit political support after charges had been filed against him. Fourth, he started characterizing his ordeal as a political trial.[353]

Dato Harun was in a dilemma when Tun Razak died. Until then he had acted cautiously, and Tun Razak had praised him for acting with the correctness expected of him. Some observers thought that a compromise solution would eventually be arranged, since traditionally leaders in disgrace were let down rather gently.[354] When Datuk Hussein Onn, known to be very set against corruption, became the Prime Minister, Dato Harun "gambled" by renewing his political activities, and found himself temporarily expelled from UMNO, forced to resign as Mentri Besar, and faced with additional charges.[355]

Despite warnings that UMNO might split, the initial resolution with which the Harun case was followed up by the new Prime Minister won respect for his authority. It also served notice on two points. First, Tun Razak's reversal of the previous "unwritten rules" which tolerated corruption or imposed minimum sanctions for it would be sustained and even intensified. Second, at this stage the new Prime Minister was not afraid to act decisively even when his actions might upset a prominent political leader with a firm power base.

Dr Mahathir Appointed Deputy Prime Minister

On 5 March 1976, Datuk Hussein Onn announced that Dr Mahathir,

[352] See *New Straits Times,* 1 November 1975. For testimony by Dato Harun concerning the UN post, see ibid, 23 September 1976. An informed source reports that Dato Harun was offered the UN post much earlier than was publicly disclosed.

[353] "Harun: Hussein Strikes", op. cit., p. 11.

[354] "Breathing Easy After Harun Takes Leave", by K. Das, *Far Eastern Economic Review,* 12 December 1975, pp. 17-18; "Hussein: An Era in the Making", by K. Das, ibid., 9 April 1976, pp. 14-16.

[355] Ironically, the additional charges of bank fraud stemmed from Dato Harun's efforts to negotiate the Ali-Bugner Heavyweight Championship Fight in Kuala Lumpur at the time of the 1974 UMNO General Assembly. Some observers thought the fight, and getting Muhammed Ali to Kuala Lumpur, would be a political plus for Dato Harun in the vice-presidential election, and thought it was certainly planned as such.

the Minister of Education, would be his Deputy Prime Minister. The announcement came as a surprise for several reasons. First, Encik Ghafar Baba was the senior UMNO Vice-President and had served as Acting Prime Minister on one previous occasion. In a hierarchy-oriented system, Encik Ghafar Baba ranked highest in line for the appointment. Second, Dr Mahathir had been expelled from UMNO in 1969 for criticizing the Tunku, and his return and mercurial rise through party and government ranks was bruising to the sensitivities of some of the "old guard" in UMNO. Third, Dr Mahathir had been stereotyped as a Malay extremist by many non-Malays, who could be expected to be alarmed by his appointment.

Datuk Hussein Onn admitted that he had decided on Dr Mahathir only the night before the scheduled announcement, and added that "I do not expect 100 per cent approval".[356] The decision had obviously been difficult, but apparently a key consideration had been to pick a man whom the Prime Minister felt could lead the nation if called upon at short notice. Reaction to the selection was varied. The MIC supported the appointment, but MCA Headquarters declined comment, and Dr Lim Chong Eu said simply that the Prime Minister had made his choice and the country must support him.[357] The Tunku would not comment, and Tan Sri Jaafar Albar noted that "he had plenty to say but would rather keep it to himself".[358] Most Malay reaction however, was favourable.

Politically, the most serious concern was with the reaction of UMNO members to the appointment, and the situation looked potentially disruptive when Encik Ghafar Baba was not named to the new Cabinet. However, the tension was eased when the former Minister urged the people to support the new Cabinet and reported that he would remain as the Secretary-General of the National Front and an UMNO Vice-President.[359] Again, despite the dangers of an UMNO split, Datuk Hussein Onn had chosen to act decisively by naming the man he wanted.

SNAP Joins the National Front

Negotiations between the Federal Government and SNAP on the

[356] *New Straits Times,* 6 March 1976.

[357] *New Sunday Times,* 7 March 1976; "Hussein Puts his Faith in Mahathir", by K. Das, *Far Eastern Economic Review,* 19 March 1976, pp. 19-20.

[358] *New Sunday Times,* 7 March 1976.

[359] Ibid.

latter's participation in the National Front started after the 1974 general elections. Apparently some agreement in principle on the idea of SNAP's participation in the Front was reached during 1975.[360] However, progress in working out actual terms was greater after the SNAP Delegates' Conference elections in July 1975 when long-time President Datuk Stephen Kalong Ningkan was defeated by Datuk Dunstan Endawie, and Encik Leo Moggie was elected unopposed as SNAP's Secretary-General.[361]

The breakthrough in negotiations appears to have occurred just after the release of Datuk James Wong, SNAP's Deputy President, from detention on 3 February 1976. Shortly after, Federal Minister and President of PBB, Datuk Amar Haji Taib Mahmud, announced that there was a possibility of SNAP joining the National Front.[362] On 22 March 1976, Encik Leo Moggie told the Press that an agreement in principle had been reached, and that SNAP would become a component party of the National Front at both federal and state levels.[363] Then, on 21 June, following a meeting of the National Front's Supreme Council, an announcement that SNAP had been formally accepted into the National Front was made. In a Federal Cabinet reshuffle that followed, SNAP's senior Vice-President, Encik Edmund Langgu, was appointed Deputy Minister of Agriculture, and two SNAP members were appointed Parliamentary Secretaries. Agreement in principle was reached on SNAP's participation in the Sarawak State Government. With SNAP's participation in the National Front, its nine Members of Parliament give the Front a total of 144 of 154 seats,[364] and in the Sarawak State Assembly, with SNAP's 18 members, the National Front has all 48 seats.

[360] Interview with a National Front Minister, 3 July 1975.

[361] Poor relations between Datuk Ningkan and both the Federal Government and Sarawak Chief Minister Datuk Patinggi Rahman Yakub were a stumbling block. Apparently relations between SNAP, particularly Datuk Ningkan, and the Chief Minister improved after Datuk Yakub initiated a pension plan for ex-Chief Ministers (interview with an UMNO official, 18 June 1975).

[362] *New Straits Times,* 9 February 1976. Also later in February, Encik Ghafar Baba, Secretary-General of the National Front, paid a four-day visit to Sarawak. It was speculated in the Press that he was making an on-the-spot assessment of the possibility of SNAP joining the National Front (ibid., 20 February 1976).

[363] Ibid., 23 March 1976. Two days later SNAP voted with the Sarawak Government on the Sarawak Constitution (Amendment) Bill which would allow the establishment of up to nine assistant ministerial posts (ibid., 25 March 1976).

[364] The federal total includes Berjaya and USNO members from Sabah, admitted to the Front on the same day.

The terms and conditions for SNAP's participation in the National Front have not been made public. According to one Sarawak source, important SNAP conditions included retaining its own identity and multi-racial membership, keeping the same number of seats at the next state elections, and having Datuk James Wong released from detention.[365] The official reasons cited by SNAP for joining the National Front were that the party would be in a better position to participate in the implementation of the Third Malaysia Plan, and that, given the security situation in the region, political cooperation was essential.[366] Apparently the new younger and intellectual members of SNAP had favoured a coalition. Additionally, the party was reputedly hard-pressed financially, and there was some concern over growing alienation among the SNAP Ibans which was thought to be fostered by exclusion from the Government.[367]

The Federal Government was interested in getting SNAP into the National Front soon after the 1974 General Elections.[368] The Sarawak State Government was apparently less enthusiastic, probably because of past rivalries, the fact that the SUPP-PBB coalition was working well, and also because it would mean further claims for Cabinet posts and appointments. However, in March 1976 the PBB officially welcomed SNAP's participation, saying that SNAP would first join the Federal Government and then join at state level. In May SUPP also welcomed SNAP, so long as SUPP's position in the State Government would not be adversely affected, and so long as the allocation of seats in future elections would not be based on present membership in the Assembly.[369] Encik Ghafar Baba expressed confidence in Datuk Yakub's ability to work out a plan to let SNAP participate in the State Government.[370]

On 1 November 1976, after lengthy discussions, the Sarawak

[365] Interview with a Sarawakian political observer, 16 June 1976. On the conditions of Datuk James Wong's release, see *New Straits Times,* 2 November 1976.

[366] *The Vanguard,* 1 April 1976.

[367] "Harun: Selangor Says No", op. cit., p. 9. Also see "Front-Line Party Politics", by K. Das, *Far Eastern Economic Review,* 10 September 1976, pp. 24-5.

[368] SNAP's 1974 general elections performance was strong enough to give SNAP a good bargaining position, but not so strong that it would be uninterested in a coalition.

[369] *New Straits Times,* 24 March and 24 May 1976.

[370] Ibid., 20 May 1976; "Front-Line Party Politics", op. cit., p. 25.

Cabinet was reshuffled to allow for SNAP representation. The new Cabinet included two SNAP Ministers, Datuk Dunstan Endawie as Deputy Chief Minister and Minister of Local Government, and Encik Leo Moggie as Minister of Welfare, as well as two SNAP Assistant Ministers and one SNAP Political Secretary to the Chief Minister. Also added to the Cabinet were two Assistant Ministers from PBB and one from SUPP.[371]

With SNAP in the National Front, for the first time in Sarawak no major party was in the Opposition, and the Federal Government took one more step in its efforts to forge a broad national political consensus.

The Sabah State Elections of April 1976

Relations between Tun Mustapha and the Federal Government started to turn sour in 1973-74, with disputes over development projects, foreign loans, the Muslim rebellion in the southern Philippines, and Tun Mustapha's dictatorial methods and style of high living; they deteriorated rapidly after the Sabah Chief Minister refused the Federal Cabinet post of Minister of Defence in September 1974, having decided it was a plot to separate him from his fiefdom, and by April 1975 it was widely rumoured that Tun Mustapha was talking of secession.[372] Soon after, Tun Mustapha's extraordinary police and internal security powers in Sabah were removed,[373] and on 12 July 1975, a new multi-racial opposition party, Bersatu Rakyat Jelata Sabah (Berjaya) was registered.

Berjaya was formed mainly by ex-USNO members, after discussions with the National Front Leaders in Kuala Lumpur, and apparently with the Federal Government's blessings.[374] Two weeks

[371] The expanded Cabinet consisted of 9 Ministers and 5 Assistant Ministers. There were 3 Deputy Chief Ministers: Datuk Sim Kheng Hong (SUPP), Datuk Alfred Jabu (PBB), and Datuk Dunstan Endawie (SNAP). See. *New Straits Times,* 13, 29 October and 2, 7, 12 November 1976.

[372] See p. 119; "Mustapha: Total Power in the Name of Allah" by Andrew Davenport, *Far Eastern Economic Review,* 18 July 1975, pp. 20-1; *New Straits Times,* 12 August 1975.

[373] See pp. 119-20; "Mustapha: Confidently Facing the Music", by Harvey Stockwin, *Far Eastern Economic Review,* 1 August 1975, pp. 10-13.

[374] *New Straits Times,* 16-17 July 1975; "Kuala Lumpur Waits to Pick Up the Pieces", by Andrew Davenport, *Far Eastern Economic Review,* 12 March 1976, p. 16; R.S. Milne, "Malaysia and Singapore, 1975", *Asian Survey,* Vol. XVI, No. 2 (1976), p. 189.

later, Tun Mustapha's old adversary, Tun Fuad Stephens, resigned as Yang Dipertua Negara to become President of Berjaya. The party was formed to oppose any secessionist movement and to expose mismanagement, corruption, and nepotism in the state. From the beginning, the leaders of the party stated that they were willing to cooperate with USNO, but with the condition that Tun Mustapha step down.

Almost immediately after it had been registered, Berjaya applied for membership in the National Front, and stated that it desired close cooperation with the Federal Government. It could have been difficult for Berjaya to gain membership in the Front, since each component party (including presumably the Sabah Alliance) had a veto over the admission of a new party. However, it was then revealed by Encik Ghafar Baba that the Sabah Alliance had withdrawn from the National Front on 8 January 1975 because of disagreement with proposed amendments to the Front's Constitution.[375] In August, Tun Razak announced that the National Front had decided to accept Berjaya, so long as it met certain conditions to be agreed upon during a series of meetings between the leaders. The Prime Minister also noted that the Front was prepared to take back the Sabah Alliance when the party agreed to accept fully the provisions and policies of the Front.[376]

In September 1975, Tun Mustapha announced that he would resign as Chief Minister on 31 October. It was rumoured that his resignation, along with holding early state elections, was one of the conditions for the Sabah Alliance rejoining the National Front.[377] However, Tun Fuad Stephens, noting that Tun Mustapha would remain as President of USNO and the Sabah Alliance, said that the resigning Chief Minister would still be running the state from behind the scenes.[378] In December, by-elections were held for the seats of two former USNO Ministers, now with Berjaya, who had "resigned" their assembly

[375] *New Straits Times,* 27 July 1975. Tun Razak later confirmed the withdrawal of the Sabah Alliance from the National Front (ibid., 8 August 1975). Leaders of the Sabah Alliance called the move "splitting hairs". The disputed amendments concerned calling the Front a "confederation", the use of its symbol, and the method of selection of state chairmen (*New Sunday Times,* 20 July 1975).

[376] *New Straits Times,* 8 August 1975.

[377] Ibid., 4 and 18 September 1975.

[378] Ibid., 4 September 1975.

seats.[379] Tun Mustapha campaigned in Sabah for his candidates, and two fairly unknown USNO candidates were returned quite easily, one defeating Berjaya leader Datuk Harris Salleh. At the year's end, it looked very much as if Mustapha was still having his way.[380]

Less than two weeks after the death of Prime Minister Tun Razak, the Sabah State Assembly was dissolved and an election was called for 5-14 April 1976 (staggered polling). Tun Fuad Stephens accused the former Chief Minister of "capitalizing on the change in the Government in Kuala Lumpur to come back to power".[381] However, as the election dates neared, it became apparent that the new Prime Minister, Datuk Hussein Onn, was, as a minimum, going to ensure a fair election in Sabah.[382]

Berjaya issued a fourteen-point election manifesto promising a clean government that would sweep away corruption and nepotism, and closer state-federal relations. In the Sabah Alliance it was decided that USNO and the SCA would each use their own party symbols, and they campaigned primarily as separate parties. The SCA never mounted an energetic campaign, but USNO worked hard on the theme of bumiputra unity and warning of a return to the disruptive days of 1967, the last time an election was really contested in Sabah. Berjaya contested all 48 constituencies, USNO 40 and SCA 8, Pekemas 11, Bersatu 3, and Independents 16. With a total of 126 candidates, it was a far cry from the days when an opposition candidate who filed nomination papers was considered more foolish than brave.

By election time, though observers did not rule out the possibility of an upset, Berjaya was not given much of a chance.[383] Thus the election results came as a complete shock. Berjaya won 28 seats and

[379] A common practice at state level, of having assemblymen sign undated resignation letters which could be put into effect if and when necessary, had been followed.

[380] Robert O. Tilman, "Mustapha's Sabah, 1968-75: The Tun Steps Down", *Asian Survey,* Vol. XVI, No. 6 (1976), pp. 495-509; "Speculation Over Razak's Illness", by K. Das, *Far Eastern Economic Review,* 2 January 1976, pp. 19-20.

[381] *New Sunday Times,* 25 January 1976.

[382] See pp. 119-20; *Far Eastern Economic Review,* 7 May 1976, p. 5.

[383] Many observers thought the real showdown might begin after the elections if Tun Mustapha tried to resume as the Chief Minister. Before the polling started, Berjaya seemed to be falling apart. The party's Secretary-General was detained, a founding Vice-President, Datuk Haji Abdul Ghani Gilong, defected back to USNO, and there were reports of entire Berjaya branches closing down.

USNO 20 seats; the rest, including the SCA, were shut out. There were some explanations for the upset, such as lack of USNO organization, new constituency boundaries which hurt the SCA, and the recession and unemployment in Sabah.[384] It was also a free election. Further, for the first time, a major multi-racial party was competing. But it was obvious that, overall, most observers had underestimated the extent of discontent, especially in the urban areas, with Tun Mustapha's Sabah Alliance Government. The new Berjaya Cabinet was sworn in on 20 April 1976, with Tun Fuad Stephens as Chief Minister and Datuk Harris Salleh as the Deputy Chief Minister. The drama should have been finished then, but it continued with bomb blasts in several Sabah towns, defections from USNO, Berjaya insistence that Tun Mustapha must retire before it could work with USNO, and pleas from the Federal Government for Berjaya and USNO to cooperate for the good of the state and the nation. Tragically, on 6 June 1976, a plane carrying Tun Fuad Stephens and ten others, including three of his Ministers and one Assistant Minister, crashed into the sea near Kota Kinabalu, killing them all.[385] Datuk Harris Salleh was sworn in as the Chief Minister, and named Acting President of Berjaya. In a Cabinet reshuffle on 17 July Datuk James Ongkili was appointed Deputy Chief Minister. The by-elections for the five seats were held on 31 July 1976. USNO did not contest the elections. Three Berjaya candidates were returned unopposed and two others won easily over a Pekemas candidate and an Independent.

Berjaya and USNO Join the National Front

In April 1976, Encik Ghafar Baba explained that the National Front could accept both Berjaya and USNO[386] as soon as discussions,

[384] "Bulldozing the Tun Mustapha Legend", by Harvey Stockwin, *Far Eastern Economic Review,* 30 April 1976, pp. 8-9.

[385] Among the dead, in addition to Chief Minister Tun Fuad Stephens, were the Minister of Finance, Datuk Salleh Sulong, aged 37, the Minister of Local Government and Housing, Datuk Peter Mojuntin, aged 36, and the Minister of Communications and Works, Encik (posthumously Datuk) Chong Thain Vun, aged 40. With the deaths of Tun Fuad Stephens and Datuk Mojuntin, the top leadership of the Kadazans was destroyed. Datuk Mojuntin was "probably the most able state politician outside the ranks of chief ministers in Malaysia's 13-state federation" ("Berjaya Without Tun Fuad", by Harvey Stockwin, ibid., 18 June 1976, p. 11). The report on the investigation into the cause of the crash indicated that "human error" was to blame. See *New Straits Times,* 29 October 1976.

[386] When USNO applied for membership in the National Front in July 1975, it did so in

delayed by the death of Tun Razak, could be held. Then on 21 June 1976 it was announced that both Berjaya and USNO had been formally accepted into the National Front, and that USNO would not contest the 31 July by-elections. However, USNO found itself in the odd situation of being a component member of the National Front at the national level, but in the Opposition at state level. Berjaya promised to cooperate with USNO, but spoke of the necessity of having a loyal Opposition, and ruled out any coalition with USNO.[387] Meanwhile, against the vehement protests of USNO, more of its members continued to defect to Berjaya. In July, following an extraordinary general assembly of USNO, the party issued a statement that it was willing to dissolve the party if it could be merged with UMNO. In Kuala Lumpur the proposal was met with silence by the UMNO leadership.[388] On 26 August 1976, Tan Sri Haji Mohamed Said Keruak announced that he had received a letter from London from Tun Mustapha, dated 20 August, saying that he was resigning as President of USNO and retiring immediately from politics.[389] Tan Sri Said Keruak was named Acting President of USNO. On 28 August, Berjaya and USNO sat down together for the first time. Both parties ruled out a coalition government at present, but agreed to try to reduce "politicking" between them. However, although defections from USNO to Berjaya have slowed down, they have not stopped altogether.[390] Also, bickering between the two parties, especially

its own name and not in that of the Sabah Alliance. National Front officials at first talked of readmitting the Sabah Alliance, but this changed to talk of admitting USNO. The SCA, the near defunct component of the Sabah Alliance, had announced in June 1976 that it would leave the Sabah Alliance, and would like to join the National Front in its own right (ibid., 14 June 1976).

[387] Datuk Harris ruled out any coalition with USNO so long as Tun Mustapha, Datuk Syed Kechik, and Datuk Dzulkifli remained as USNO leaders (*Far Eastern Economic Review,* 25 June 1976, p. 5).

[388] The special USNO meeting is reported in ibid., 23 July 1976, p. 18. In November 1976 Datuk Dzulkifli travelled to Kuala Lumpur to re-emphasize USNO's desire to merge with UMNO, apparently without success (*New Straits Times,* 13 November 1976).

[389] Ibid., 27 August 1976; *Utusan Malaysia,* 27 August 1976. Tun Mustapha was granted a year's leave from the Dewan Rakyat effective from 6 November 1976 (*New Straits Times,* 26 October 1976). However, by early 1977 there were rumours that Tun Mustapha might be planning a comeback through a federal post. See *Far Eastern Economic Review,* 21 January 1977, p. 5, and 4 February 1977, p. 5.

[390] See *New Straits Times,* 11 September 1976. At this date USNO held only 14 of the 54 seats in the Sabah Legislative Assembly.

between Berjaya officials and USNO's Acting Deputy President, Datuk Haji Dzulkifli Abdul Hamid, has continued.[391]

The 1976 UMNO General Assembly and UMNO Youth-Wanita Assembly

Despite the fact that the only UMNO elections in 1976 were for UMNO Youth posts, it was thought that the General Assembly might present the Prime Minister with his sternest test to date.[392] Various actions taken by Datuk Hussein Onn in his six months as Prime Minister and Acting UMNO President, especially the decision to expel Dato Harun, had been unpopular with some, though not always the same, sectors of UMNO. There had been talk of a split in UMNO and a "crisis hysteria" in the party. The top leadership constantly denied that there was a crisis in UMNO, and Datuk Hussein Onn said it was just an illusion of crisis as a result of certain leaders' "lopsided views and fears".[393]

As it was, Datuk Hussein Onn came out of the Assembly virtually unscathed, and perhaps with a strengthened power position. In the General Assembly, debate was encouraged to focus on terrorist activities and subversion to the extent that it not only defused other issues, but also provided a felt need for unity against a strong enemy. At the end of the Assembly, Datuk Hussein Onn had to warn the delegates that there would be no witch-hunting in Malaysia. It was only in the UMNO Youth Assembly that there were clear signs of discontent. The Youth delegates elected Tan Sri Syed Jaafar Albar[394] as President of UMNO Youth over the top leadership's choice, Datuk Mohamad Rahmat, and passed unanimously a resolution appealing to the UMNO Supreme Council to reinstate Dato Harun as a party

[391] Ibid., 13 October, 13 November, 31 December 1976, 5 January 1977; *New Sunday Times,* 14 November, 12 December 1976.

[392] *Far Eastern Economic Review,* 16 July 1976, p.3.

[393] *New Straits Times,* 10 May 1976.

[394] In January 1977, Tan Sri Syed Jaafar Albar died after a short illness. It is expected that his deputy, Encik Suhaimi Haji Kamaruddin, a nephew of Dato Harun, will become the acting Youth leader until the next Youth elections in 1978 (*Far Eastern Economic Review,* 28 January 1977, p. 14). The death of Tan Sri Jaafar Albar, while depriving Dato Harun of an ally, opens at least the possibility of a bid by Dato Harun to be re-elected as President of UMNO Youth in 1978. In November 1976, Dato Harun was reported to have said that he intended to retire from politics, but he later denied this report. See "Harun Makes a Judicious Detour", by K. Das, ibid., 3 December 1976, p. 24, and *New Straits Times,* 26-27 November 1976.

member.[395] However, despite these actions, the UMNO Youth delegates, like the General Assembly delegates, also saved their strongest words for communist aggression, subversion, and increasing anti-national activities.[396] Later, Tan Sri Jaafar Albar stated that UMNO Youth did not intend to oppose the party leadership or disrupt UMNO solidarity.[397]

The Party System and the Future of the National Front

Since the first national elections, a dominant party system has prevailed in Malaysia.[398] Both the Alliance and the National Front, as institutionalized permanent coalitions, have dominated the political process. However, one must look within the coalitions to find the key to the dominant party system: that key is UMNO. It has always had the largest number of seats in Parliament; from its ranks come the top Cabinet posts, including every Prime Minister and Deputy Prime Minister; it is clearly recognized as the most powerful and influential party whose leadership determines the direction of party and government policy; and it sets the pattern and conditions for multi-racial accommodation. It is inconceivable, as long as UMNO does not split, that any ruling coalition could be formed without UMNO, and without UMNO as the leading partner.

Consequently, in considering politics in Malaysia, and the stability and durability of the National Front, UMNO is clearly central. The question of a second generation of national UMNO leadership with a different social, educational and linguistic background coming to power is no longer of vital immediate concern; the second generation that is now assuming positions of power is similar in background and political approach to the original leaders. Further, as could be expected, the assumption of responsibility has had a moderating effect on former young radicals. The important question is whether or not

[395] The appeal was referred to the UMNO disciplinary committee consisting of Dr Mahathir, as chairman, Datuk Musa Hitam, Datuk Senu, Tan Sri Jaafar Albar, Tan Sri Syed Nasir, Encik Ghafar Baba, and Hajjah Aishah Ghani. With the recommendation of this committee, on 23 October 1976, Dato Harun was readmitted to UMNO, without conditions, by the UMNO Supreme Council. See "Hussein Gives Harun the Party Nod", by K. Das, *Far Eastern Economic Review,* 5 November 1976, pp. 10-11.

[396] *New Straits Times,* 2 July 1976.

[397] Ibid., 11 August 1976.

[398] See Maurice Duverger, *Political Parties* (London, 1967), Third Edition, translated by Barbara and Robert North, pp. 283, 307-8.

UMNO can remain united. There is a strong awareness inside UMNO that the party's strength is dependent upon internal unity, despite endemic squabbling and factionalism, and it is unlikely that any rebelling sector could draw significant support away from the main body and the attraction of the rewards of power. The biggest danger is the possibility of havoc from internal dissension as a result of the indiscriminate charges of communist dupes and sympathizers inside the party, and the prospect of purges.

After the 1 September 1976 confession of Encik Samad Ismail, who said that as a communist agent he had moved close to the core of the UMNO leadership and had been especially successful with the younger generation of UMNO leaders, the campaign to purge the party, led by Tan Sri Jaafar Albar and Datuk Senu, and apparently with the Tunku's concurrence, rapidly gathered momentum. The anti-communist group claimed to have a list of communist sympathizers, and threatened to publicly expose it, and they charged that Dato Harun was being victimized by these people in the party and in the Government. On 2 November 1976, two deputy ministers, Datuk Abdullah Ahmad, former political secretary to Tun Razak, and Encik Abdullah Majid, former press secretary to Tun Razak, resigned from their posts. They were arrested the next day under the ISA, along with four others (the arrested included both Malays and Chinese of both the National Front and opposition parties). These arrests appeared to heighten the efforts of the UMNO anti-communist group, and other political personalities came under a cloud of suspicion.

Generally, the anti-communist group seems to be led by the "old guard" and supported by UMNO Youth, and the attacks have been directed against the younger UMNO members brought into the centres of power by Tun Razak. The Prime Minister had trod carefully in the middle, warning against a "witch-hunt", but adding that arrests under the ISA are not arbitrary actions. He has consistently denied that there is a crisis in UMNO, admitting only that there are groups in the party with differing opinions.[399] It was the Deputy Prime Minister, Dr Mahathir, speaking at a symposium on Malay leadership, who was characteristically forthright. He said that possibly in the history of the Malays never has the leadership been in such a chaotic state or their credibility so questioned. Mudslinging, allegations, and anonymous letters had been indulged in until it appeared that no Malay leader

[399] *New Sunday Times,* 12 December 1976.

could be trusted. The Malays were divided and quarrelling among themselves. Little by little, the accusations, however unreasonable and strange they were, were accepted. People then started to doubt a leader whom they formerly highly respected.[400]

The anti-communist campaign received a setback when Encik Lim Kit Siang, Leader of the Opposition, revealed in the Dewan Rakyat that Tan Sri Jaafar Albar and Datuk Senu had been on the board of directors and were shareholders in the Great Malaysia Line, which has financial dealings with a Soviet bank. This was denied by Tan Sri Jaafar Albar in the Dewan Rakyat, but later substantiated.[401] The death of Tan Sri Jaafar Albar in January 1977 deprived the anti-communist group of its most determined spokesman. However, the "witch-hunt" aspects of the campaign have created fear, suspicion, and "guilt by association", and have considerably raised the political stakes. This could adversely affect the authority and credibility of the leadership, and deference to it, by calling into question the loyalty of some of the leaders and by casting doubt on part of the wisdom of the late Tun Razak. This in turn could reduce the strength and stability of the party as well as its ability to lead.[402] If UMNO were to disintegrate internally or seriously split, large-scale realignments in the political system could be expected, with the new alignments depending on whether the split was precipitated along the lines of class, race, or religion.

The composition of the National Front, as opposed to UMNO, could be altered somewhat without upsetting the basic structure. The PPP, which did badly in the 1974 General Elections, has disintegrated further since the death of its President, Dato Sri S.P. Seenivasagam, in July 1975. Not only did the PPP lose the presidency of the Ipoh Municipal Council,[403] which was its sole power base, but also after a

[400] *New Straits Times,* 9 December 1976.

[401] "To Mecca Via Moscow", by Ho Kwan Ping and Andrew Davenport, *Far Eastern Economic Review,* 19 November 1976, pp. 57-8; ibid., 10 June 1977, pp. 24-6.

[402] On the anti-communist movement see: "The Purge From Within", by K. Das, ibid., 12 November 1976, pp. 20-1; "Succession Struggle—Round Two", by K. Das, ibid., 26 November 1976, pp. 21-4; *The Asian Student* (San Francisco), 4 December 1976, p. 3, and 1 January 1977, p. 1; *New Straits Times,* 2-3, 8 September, 5, 11, 18, 23 October, 2-5, 8, 10, 15, 22 November, 6-7, 9 December 1976; *New Sunday Times,* 5, 12 December 1976.

[403] Dato Lee Loy Seng of the MCA was appointed in September 1975 as President of the Ipoh Municipal Council, and was later succeeded by another MCA veteran, Dato Liew Why Hone.

party succession dispute some prominent officials left the party. It is possible that the PPP will fade into obscurity in the future. The Gerakan is largely directed and held together by one man, Dr Lim Chong Eu. When Dr Lim retires, Gerakan will not only lose its main political force, but it is possible that a struggle for control will develop inside the party between the Penang faction and the Gerakan groups centred in Perak and Selangor. If the party loses effective control of the Penang State Government, its *raison d'etre* will be gone.

The position of PAS in the National Front is of more significance. The party had a serious dispute in 1975 between two factions in Kelantan that threatened to split the party, possibly with the main body withdrawing from the Front. That crisis has apparently been weathered, but a large number of PAS members remain vaguely dissatisfied and constantly interested in reviewing PAS's position in the Front. The fact that PAS would not be the same political force as before, if it withdrew now, coupled with the incentives provided by the sharing of power and office, is probably enough to keep PAS in the Front.

It is not likely that the existing opposition parties will join the National Front. Pekemas is the type of party that would be acceptable to the Front, but Dr Tan Chee Khoon prefers the role of opposition and has shown no interest in bringing his party into the coalition.[404] The DAP has been hit hard by defections to the Front, but the party is led by a dedicated group who oppose the political approach of the Front, and who are unlikely to want to join. Nor has the Front shown much interest in wooing the DAP. The PSRM, though it won no seats in the 1974 General Elections, is the opposition party which most concerns UMNO, since it is attempting to attract the rural Malay vote. Neither side appears interested now in having the PSRM in the Front, but nevertheless the party is potentially important. Should the party develop a stronger electoral following, it could pose a threat from several points of view, by jeopardizing Malay unity, by presenting itself as an important bloc in any realignment should UMNO show signs of splitting, by creating discontent by proselytizing class politics

[404] Dr Tan Chee Khoon suffered a stroke in November 1976 that left him partially paralyzed. Dr Tan has reported that he will not retire from politics if he fully recovers his health. However, it is doubtful if Dr Tan will be able to resume his heavy political commitments (along with an active medical practice), and it is likely that the reins of Pekemas gradually will be turned over to a lieutenant. See *New Straits Times,* 18 November, 10, 12 December 1976.

among rural Malays.[405]

The National Front leaders do not appear to believe that the National Front coalition need be all-inclusive, although it seems possible that should some new inoffensive but viable opposition party emerge, it might well be invited to join the Front. On the other hand, the Front does not seem to place a high value on opposition either in terms of its parliamentary watch-dog function or as a safety-valve for discontent, but still tolerates it in spite of its being a source of nuisance and distraction. After the 1974 General Elections there was brief mention of the desirability of a one-party state in which checks and balances would be provided by the component parties of the Front. However, this topic has now faded out.

The National Front Government, like the Alliance before it, relies upon governmental effectiveness and pragmatically co-opting potential political outbidders rather than on an ideological and dramatic style. Given this style and the Malaysian ethnic setting, it seems likely that the UMNO-led National Front will continue to dominate the political scene for some time, providing the Government can implement the Third Malaysia Plan relatively successfully and providing UMNO remains reasonably united.

Interest Groups

Until recently the articulation or expression of interests in Malaysia has not taken place through bodies organized to voice *particular* interests.[406] For the Malays it was done through the traditional social structure, which later formed the basis for the democratic-bureaucratic structure. The Chinese expressed their interests through clan societies, guilds, chambers of commerce and secret societies.[407] Articulation of interests as it affects politics is done through a wide variety of bodies of varying shades of tradition and modernity, which may help to account for the lack of collated material published on the

[405] However, the leader and driving force of the PSRM, Encik Kassim Ahmad, was arrested under the ISA on 3 November 1976 (ibid., 4 November 1976).

[406] Gabriel A. Almond and James S. Coleman, *The Politics of the Developing Areas* (Princeton, 1960), pp. 33-8.

[407] William H. Newell, *Treacherous River* (Kuala Lumpur, 1962), pp. 123-4 and 141; Victor Purcell, *The Chinese in Malaya* (London, 1948), chs. VIII and X. For a case study of a state see Wan Mong-Sing, op. cit. On secret societies, see Ratnam and Milne, op. cit., pp. 190-2; Wilfred Blythe, *The Impact of Chinese Secret Societies in Malaya* (London, 1969), p. 482.

subject.[408] In this section, "interest groups" is given a very broad interpretation.

The best example of "functionally specific" interest groups is the trade unions.[409] Their membership has naturally been drawn mostly from Indians and Chinese, who predominate in the towns. But, whereas Indians have taken readily to trade unionism and have supplied a high proportion of leaders, the Chinese have been more reluctant to participate. One important reason was the use which pro-communist Chinese made of the labour movement in Malaya after the Second World War. The Government reacted by breaking their hold on the unions, and union organization had to be rebuilt. One consequence was that some Chinese workers kept clear of the unions because they thought the Government was hostile to *any* union, even if not communist. Another result was strict government control of the unions, intended to prevent future communist infiltration. The Registrar of Societies, for example, was given broad powers over the registration of unions.

There is still a preponderance of Indians in the unions, although the proportion of Chinese may be expected to rise as memories of the Emergency recede. The Malay percentage, originally very low, will also increase as Malays become more urbanized. By May 1974 it was claimed that there were half a million trade unionists.[410] Most of the unions are small, and have been described as "peanut" unions. The Government, while unwilling to have to deal with only three or four giant unions, also finds it inconvenient to have to deal with as many as several hundred, and would like to see the number reduced. By far the biggest union is the National Union of Plantation Workers, whose President is P.P. Narayanan.[411] The largest groupings of unions are the Malaysian Trade Union Congress (MTUC), to which the majority of the unions in the government and private sectors are affiliated, and

[408] For a brief account see K.J. Ratnam, "Political Parties and Pressure Groups", *Malaysia: a Survey,* Wang Gungwu, ed. (New York, 1965), pp. 343-5.

[409] S.S. Awberry and F.W. Dalley, *Labour and Trade Union Organization in the Federation of Malaya and Singapore* (Kuala Lumpur, 1948); Alex Josey, *Trade Unionism in Malaya,* 2nd edn. (Singapore, 1958), chs. 5 and 6; Charles Gamba, *The Origins of Trade Unionism in Malaya* (Singapore, 1962).

[410] *New Straits Times,* 1 May 1974.

[411] See J. Victor Morais, *P.P. Narayanan—the Asian Trade Union Leader* (Petaling Jaya, 1975). An interview with Mr Narayanan is reported in *Malaysian Business,* November 1975, pp. 8-16.

the Congress of Unions of Employees in the Public and Civil Services (CUEPACS), which admits only government unions.

So far the unions have been nonpolitical in the sense that they are not affiliated to, and have not supported, particular political parties.[412] Inside the MTUC, however, there has been a conflict of views on this issue.[413] Individual trade union leaders may engage in political activity; they may not hold a post in both a party and a trade union, although they may combine trade union activities with being "adviser" to a party. In contrast to Singapore, since Independence hardly any political leaders have come from a trade union background, the main exception being V. David, now in Pekemas and previously in the Labour Party.

In another sense the unions are political insofar as they play a part in the political process. Unions attempt to enlist support for changes in "unfavourable" labour legislation through dialogue with leaders of political parties and MPs, and by lobbying.[414] Union leaders are decidedly "responsible" and non-revolutionary. Although deploring constraints, such as those imposed by the Industrial Relations Act, 1967, they have declared that they will help the Government preserve law and order against anti-national elements.[415] On 31 August 1976 a bank sponsored by a trade union was opened (Bank Buroh), another indication of their respectability.

Employers' associations also exist, the rough counterpart of the MTUC being the Council of Employers' Organizations.

Two other functionally specific interest groups are the Ex-Policemen and Police Pensioners Association and the Ex-Servicemen's Association of Malaysia. Given the early retirement ages from the police and the armed services, there is an obvious need to find employment opportunities for such people. Unless these were provided, under the most unfavourable conditions it was possible that their abilities might be available for use by anti-national elements. In June 1975 the Ex-Servicemen's Association was told by Tun Razak, in reply to its strongly-worded representations, that those in the forces

[412] However, some trade unions in Sarawak have been closely linked with SUPP.

[413] *New Straits Times,* 28 August and 17 December 1974. The current MTUC President, Mr Yeoh Teck Chye, stood as a Pekemas candidate in 1974 but was defeated.

[414] P.P. Narayanan in ibid., 27 February 1975.

[415] S.J.H. Zaidi, Secretary-General of the MTUC in ibid., 1 January 1976. In 1977 civil service unions threatened to strike because the Government did not implement the proposals of the Ibrahim Ali Commission on salaries (*Far Eastern Economic Review,* 11 February 1977, pp. 29-30).

would not be demobilized without a job having been found for them. He also said that the number of job categories in which they would have priority had been increased, and that he had directed that special areas should be set aside for them in land schemes.[416]

Interest groups in Malaysia are to a large extent "ethnic", just as parties are. They also have other links with parties. Many existing parties were originally based on previous ethnic associations; UMNO, for example, had its origin partly in language and cultural organizations, and the MCA was initially not a party but a welfare organization, as, in its own way, was PAS.[417] Even in established parties there is the possibility that a particular wing of the party may attempt to act independently, as if it were a pressure group. UMNO Youth has often been warned about this, usually by the Deputy President of the party.[418]

There are several types of Chinese groups which combine specific interests and ethnic orientation in varying degrees, in particular the Chinese Chambers of Commerce, Chinese Guilds and Associations,[419] Chinese Assembly Halls, and the United Chinese School Teachers' Association (UCSTA), and the All-Malaya Chinese Schools Management Association (AMCSMA). Of these, the Chambers of Commerce probably have the most specific interests, although their support for Chinese tradition and culture is still strong. There has been an alignment with the MCA, and considerable overlapping of office holders. This has been especially useful to the MCA where fund-raising is concerned. But in recent years the MCA has tried to avoid too close an association in the public mind. In its campaign not to be seen as a "rich man's party" too obvious links would spoil the image.

During the discussion on the terms of Independence in 1957 the Federation of Chinese Guilds and Associations broke with the MCA, and sent their own delegation to London, asking for better citizenship provisions, equal rights for citizens, and multi-lingualism. However,

[416] *The Star,* 16 June 1975.

[417] On ethnic groups which were forerunners of parties in Sabah and Sarawak, see (for Sarawak) Leigh, op. cit., pp. 24, 33-4; (for Sabah) Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 122-3, 141.

[418] E.g. Tun Ismail, *Straits Times* (Malaysia), 24 June 1972; Datuk Hussein Onn, *The Star,* 29 June 1974.

[419] See Koh Pen Ting, "Guilds and Associations", *The Guardian,* Vol. 4, No. 3 (1972), p. 8.

their representations had no effect.[420] After 1957 their demands continued, and helped to bring about the split in the MCA which occurred in 1959.[421] The UCSTA and AMCSMA joined them in their efforts. The same groups were also active in putting forward the Chinese point of view, 1965-67, in preparation for the decision on language policy due to be taken by 1967.[422] After 1969 the focus shifted somewhat: when political discussion was resumed in 1971 the UCSTA and the AMCSMA concentrated on the issues of defending the existence of Chinese primary schools and expanding the numbers of independent Chinese secondary schools. In their submissions to the ministerial committee set up in 1974 to review the future of education policy, the two groups and the MCA attempted to cooperate, but without much success.[423]

Until recently, Malay interest groups have been less prominent than Chinese ones, but have increased in numbers over the last few years. Among Malay groups the "commerce" dimension has been weak until very recently;[424] teachers and religious elites have been most important. Malay teachers,[425] organized in the Federation of Malay School Teachers' Associations with a membership of about 10,000, had been a spearhead of the UMNO 1955 election campaign. But in 1957 and 1958 their demands for the immediate setting up of Malay secondary classes and for special salary treatment were unacceptable to the UMNO leaders.[426] Accordingly, many of the teachers resigned, and some joined PAS. Since then the teachers, most of whom support UMNO, have been active in the party, and its policies have to take careful account of their reactions. They still press language claims. The Federation (retitled the "Peninsular Malay Teachers' Union") drafted a memorandum to the committee on the future of education policy, asking that Bahasa Malaysia should be the medium of instruction in secondary schools two years earlier than currently planned.[427]

[420] Means, *Malaysian Politics,* op. cit., pp. 200-2.

[421] Ibid., pp. 202-7.

[422] Enloe, op. cit., pp. 129-30.

[423] See p. 373.

[424] It was strengthened by the activities of Tengku Razaleigh as Chairman of the Malay Chambers of Commerce.

[425] Enloe, op. cit., pp. 129-30.

[426] Tunku Abdul Rahman, "Looking Back", *The Star,* 10 February and 23 June 1975.

[427] *New Straits Times,* 12 January 1975.

Malay religious. elites, including religious teachers, are not as organized as Malay teachers in general. In some areas, however, as groups and also individually, they have great influence. This has been especially noticeable when they have supported PAS, a party with "religious" origins and with a religious message.[428]

Other, temporary, bodies have been set up to promote the interests of Malay language and culture, for instance the National Language Action Front, founded in 1964, led by Tan Sri Syed Nasir bin Ismail. Its membership probably coincided substantially with that of the Malay teachers' groups previously mentioned.

In many newly-independent countries there is a tendency for interest groups to be government-inspired or government-supported. Malaysia is no exception, and the Government has been active, in varying degrees, in relations with religious, youth and farmers' organizations. The most obvious cases of interest groups which were very closely associated with the Government occurred in Sabah, in the form of USIA (United Sabah Islamic Association) and the Badan Bahasa Sabah, which was set up to promote Bahasa Malaysia.[429]

Student groups, Malay ones in particular, have become important in the last few years.[430] In 1969 they aimed at objectives similar to those of the Malay teachers. Their demonstrations against the Tunku emphasized their continuing objections to the 1967 Language Act, leadership being provided by the University of Malaya Malay Language Society (PBMUM). However, a shift occurred by 1974. Already, at the 1969 and 1974 elections, leaders of the University of Malaya Students Union (UMSU) had campaigned for Partai Rakyat. After the 1974 elections there were demonstrations on the University of Malaya campus, and on other campuses, which reached a peak in September and again in December. They were not confined to the campus. In early December there were demonstrations in the centre of Kuala Lumpur, and 1,169 students and others were arrested. More important, student activities were extended to rural areas. In September UMSU leaders demonstrated in favour of squatters in Tasek

[428] Ratnam and Milne, op. cit., ch. IX(a); K.J. Ratnam, "Religion and Politics in Malaya", *Man, State, and Society in Contemporary Southeast Asia,* Robert O. Tilman, ed. (New York, 1969), pp. 359-61. On Sarawak, see Leigh, op. cit., p. 129.

[429] Milne and Ratnam, *Malaysia—New States in a New Nation,* op. cit., pp. 45, 61.

[430] Only universities and other tertiary-level groups are considered here. In Sarawak the Sarawak Communist Organization made use of an affiliated group, the Sarawak Advanced Youths' Association.

Utara (Johore). And, in late November, peasants in Baling, Kedah, were joined by representatives of the UMSU in marches protesting against deteriorating economic conditions resulting mainly from the severe drop in the rubber price.[431]

As a result of the Baling demonstrations, Encik Anwar Ibrahim, active in the leadership of several groups, was arrested. He was President of UMSU, a leader of Angatan Belia Islam (ABIM-Islamic Youth Force Malaysia), and highly influential in the government-sponsored Malaysian Youth Council, which split apart as a consequence of student rifts and government reactions.

The student demonstrators seem to have been motivated by several factors.[432] One might have been the force of example: the recent illustrations of student power in Indonesia, in Singapore, and especially in Thailand, in October 1973. Another was undoubtedly rural poverty. The demonstrators exaggerated the effects of this by claiming that poverty in Baling had actually resulted in starvation. Nevertheless, many Malay students were of peasant origin, and, when ideologically stirred, must have sympathized with peasant suffering. The main instrument which brought the students' attention to these grass-roots problems was Partai Rakyat.[433]

Government reactions were tough, and in 1975 the Universities and Colleges Act was amended so as to ensure greater control over students. They were prohibited from supporting or becoming members of parties, trade unions or other bodies, without university approval. Vice-chancellors were given greater disciplinary powers, and students convicted of a criminal offence could be summarily dismissed from a university. In introducing the new legislation, the Education Minister, Dr Mahathir, deplored the fact that a small

[431] *New Straits Times,* 4 December 1974; *Far Eastern Economic Review,* 20 December 1974, p. 12, and 10 January 1975, pp. 29-31.

[432] *Communist Party of Malaya: Activities Within the University of Malaya Chinese Language Society* (Kuala Lumpur, 1974). This government White Paper revealed that subversive elements had gained control of the University of Malaya's Chinese Language Society, which became the spearhead of the Communist Party of Malaya's revolutionary objectives, and manipulated the leadership of the UMSU. A problem which still needs to be fully explained is how, in a situation in which ethnic considerations were still operative, a Chinese body, the Chinese Language Society, could induce activities by mainly Malay students.

[433] Demonstrations at the MARA Institute of Technology (ITM) in January 1976 were more a reaction against disciplinary provisions than an ideological protest. ITM was reorganized three months later.

minority of students had disrupted the studies of the vast majority. A few spoke against the bill, including one prominent government backbencher. Dr Tan Chee Khoon (Pekemas) objected that academic freedom would be virtually abolished and that student activity would be driven underground.[434]

At first sight, it might seem strange that government measures were so strict, given that they were applied to potential members of the elite who were largely Malays. The explanation is probably threefold: communist influence was suspected; the fact that Malay students were involved suggested the existence of a threat to solid Malay support for the regime; militant demonstrations, for whatever purpose, seemed to a security-conscious regime to hold possibilities of igniting racial strife which might produce a repetition of the events of May 1969.

Finally, again like many newly-independent countries, interest groups are at least as much interested in securing favourable *implementation* of laws as in making inputs into the law-making process. This is not to say that the views of groups are ignored, but there are few formal channels, such as advisory bodies, through which they can articulate their interests. Another reason why groups concentrate on the implementation aspect of legislation is that many laws are drafted in rather general terms, a good example being the 1975 Industrial Coordination Act. In such cases the policy embodied in an act takes clear shape only when it is implemented, which stimulates groups to be particularly active at this stage.

[434] *New Straits Times*, 9, 10, and 18 April 1975.

8
THE FORMAL ORGANS OF GOVERNMENT

In this chapter the formal organs of government are examined in sequence: the Parliament and state legislatures; the King (Yang Dipertuan Agung); Cabinet; government departments; the Rulers; state executive bodies; the civil service; local government; the judiciary. The emphasis is on the *political* aspects of these institutions rather than, for instance, procedure in the Senate or personnel administration in the civil service. Formal organizations place restraints on the activities of less formal organizations, notably political parties, which are not mentioned in the Constitution. But the activities of formal organizations would be meaningless unless the role of political parties, the main force which activates the formal machinery, is understood. Otherwise, it might be concluded that the essence of parliamentary democracy consisted in the presence of a mace and other similar symbolic apparatus. Proceedings such as those of the Selangor State Assembly on 25 March 1976[1] would make no sense. Dato Harun, an efficient and popular Mentri Besar, hitherto in firm control of the State Assembly, was forced to resign by a vote of no confidence passed by a large majority consisting of the members of his own party, the National Front. His downfall arose from actions of the party's *national* leaders who influenced the vote of its members who sat in the Selangor Legislative Assembly, because Dato Harun had refused to resign after being expelled from the party. Viewed solely in the context of formal institutions in Selangor the vote would have been incomprehensible.[2]

Parliament

The Parliament of Malaysia is modelled on the British Parliament, and it is there that the laws are made. The executive, the Federal Government, is responsible to Parliament and cannot survive without its support. The legislative power and the executive power are linked, because the members of the executive and the majority of the legislature belong to the same political party. The Parliament of

[1] *New Straits Times,* 26 March 1976.

[2] For a criticism of the procedures used, see ibid., 2 April 1976 (Dr Tan Chee Khoon).

Malaysia, however, differs from the British Parliament in one important respect: the British Parliament is "supreme" and its actions cannot be challenged by a court or by any other body; the Malaysian Parliament is not supreme, but is bound by the Constitution, and it is possible that some of its actions might be found by a court to be contrary to the Constitution and therefore invalid.[3] The federal legislature consists of two houses, the House of Representatives (Dewan Rakyat), which is popularly elected, and the Senate (Dewan Negara), which is not.

The earliest forerunner of the House of Representatives was the Federal Council of 1909. The (British) High Commissioner presided over the entirely nominated Council, which included the four Rulers of the Federated Malay States. In 1927 the Rulers were replaced by four Malay unofficial members. After the brief existence of a temporary "Advisory" Council, 1946-48, a Legislative Council of seventy-five persons was set up in 1948. In addition to fourteen "official" members who held government positions, there were eleven members from the states and settlements (Singapore, Malacca and Penang) and fifty unofficial members. This represented a distinct constitutional advance, because the fifty "unofficials" were chosen explicitly to represent particular interests, such as rubber, tin, agriculture, and trade unions. In 1951 a device, familiar in countries under British rule moving towards independence, called the "Member" system, was introduced.[4] Some of the "Members" were civil servants, either British or Malay. The rest were businessmen or professional men of different racial origins, including British. A further change occurred in 1953 when the British High Commissioner ceased to be president, and the Council was presided over by an appointed Speaker.

The final stage before the institution of a completely elective assembly lasted from 1955 to 1959. During this period the Council had an elected majority, fifty-two out of its ninety-eight members having been elected at the general elections of 1955. Independence was won in 1957, but the system was not changed immediately. In 1959 the legislature assumed its present form, two chambers, named the House of Representatives and the Senate. The House of Representatives (Dewan Rakyat) is entirely elected, but from 1963 to 1970 the

[3] Articles 4 and 128 of the Constitution; p. 66.

[4] See p. 35.

members from the Borneo states were chosen by the respective legislatures of these states.

Procedure in the Dewan Rakyat (House of Representatives)

Between elections, the life of each Parliament is divided into "sessions". A session generally lasts about a year, but Parliament does not meet continuously during this period. It meets for a total of about eleven weeks a year, usually for about a week at a time, but for a much longer period when it considers the yearly budget. The House is presided over by a Speaker (in his absence a Deputy Speaker), who applies the House's Standing Orders, but who retains residual powers. His decisions are final, and can be appealed against only by a substantive motion.[5] Since a 1964 constitutional amendment the Speaker need not be an elected member of the House.

Originally the languages of the House were Malay and English. The Language Act of 1967 gave the Speaker discretion to allow English, and he permitted its use quite liberally. In December 1975, however, he announced that Bahasa Malaysia would be the sole language permitted, although he would allow English "in exceptional circumstances".[6] Members of the House from Sarawak and Sabah had been allowed by law to use English for ten years after Malaysia was formed, but this provision expired in 1973.

One of the House's main functions is to legislate by considering and passing bills. The bills passed, and then transmitted to the Senate, are in practice all introduced by the Government, although theoretically a private member could introduce a bill. Party discipline is strict, and it is very rare for a member not to follow the party line in voting. In passing bills there are several stages. The House follows the British, and not the United States, practice of having a bill considered first in the House as a whole before going to a committee. But the committee used almost invariably comprises all the members of the House, not just some of them as in Britain. There are very few instances of referral to a select committee. (A notable exception was a Minor Offences Bill in 1960, popularly known as the "Biting Dogs Bill", because a provision in it concerned encounters between dogs

[5] S.O.'s (Standing Orders) 99 and 100.

[6] *New Straits Times,* 20 December 1975. In 1972 the Speaker announced that all questions and motions for the next session should be in Bahasa Malaysia (except by members from the Borneo states). In the previous session no announcement was made but questions and motions in English were not accepted (ibid., 27 March 1972).

and postmen.) So, usually after a nominal first reading, the principles of a bill are debated in the House on a second reading, the House itself (sitting in committee) considers the details, and then there is a short third reading. The House, with 154 members, is only a quarter of the size of the British House of Commons, and at times the silence of many government backbenchers has made the House itself resemble in effect a "Select Committee".

British practice is also followed in the procedure for dealing with expenditure. Each year a Supply Bill, and possibly Supplementary Supply Bills, is considered by a committee of the whole House, known as the Committee of Supply. To keep control of expenditure firmly in the hands of the Government, as in Britain, only Ministers can propose increases in expenditure.[7] However, although the Opposition makes use of Supply Bills to criticize the Government through the device of moving to reduce a Minister's salary in the Estimates which are being voted on, this practice is not as well established as in Britain, and the time allowed is relatively shorter.

There are also Select Committees, appointed every session, which have functions other than legislation. There is a Standing Orders Committee which suggests amendments in the orders for the approval of the House, and a Committee of Selection which chooses members to sit on other committees. The Public Accounts Committee works closely with the Auditor-General, who is independent of the executive, and can be removed only by the same difficult procedures needed to remove a judge of the Federal Court.[8] The Committee is charged with examining "the accounts of the Federation and the appropriation of the sums granted by Parliament to meet the public expenditure",[9] and also the reports of the Auditor-General on these accounts. The Committee confines itself mostly to points raised in the Auditor-General's reports and does not do much "digging" into the accounts. In Britain it is the practice to have an opposition member as chairman of the Committee, thus, along with the role of the Auditor-General, ensuring that expenditure is completely open to scrutiny. But in the Malaysian House of Representatives the chairman is always a member

[7] S.O. 60(9).

[8] Constitution, Articles 105(3) and 125.

[9] The Committee also has to examine such accounts of public authorities and other bodies administering public funds as may be laid before the House. The Auditor-General scrutinizes not only Federal Government accounts but also those of State Governments and of certain local authorities and public bodies.

of the Government. There is also a Committee of Privileges, which deals with apparent breaches of parliamentary privileges, certain legal rights and immunities conferred on the House (and the Senate) and on individual members. Members, for instance, are immune from proceedings in respect of things said by them in Parliament, except under the amended Sedition Act referred to later. In November 1975 the possible disqualification of a member, Encik Fan Yew Teng, was referred to the Committee of Privileges, but it deferred a decision to allow him to seek all legal avenues to clear himself.

The House has functions other than legislation. Chief among these is the function of allowing grievances to be ventilated and providing a forum in which government policies can be stated and debated. One method by which redress of grievances can be sought is by asking Ministers questions in Parliament.

There are prohibitions on various kinds of questions, for instance those referring to proceedings in a committee which have not been reported to the House, questions making charges of a personal character, and so on. Questions can be asked about the policy of public corporations (although not about PERNAS or Bank Bumiputra) but not about details of their operations; if a question on a public corporation is allowed, it is very much up to the Minister concerned to decide how much information he will give. When asking questions, normally fourteen days' notice must be given. When a member hands in questions he may obtain an oral answer by marking them "Oral Reply", but there is a limit on the number that can be so marked on the same day. Even questions marked in this way may be given written answers if the Speaker so directs,[10] for instance if the answer could contain many statistics. A huge number of questions, covering a wide range, may be submitted at one time.[11] A recent study shows that opposition MPs of Chinese and Indian origin have been particularly assiduous in asking questions.[12] According to Standing

[10] S.O. 22(3).

[11] Before the re-opening of Parliament in 1971 Lim Kit Siang, Goh Hock Guan and Fan Yew Teng (all DAP) submitted 152, 117, and 101 questions respectively (*Straits Times* (Malaysia), 20 February 1971).

[12] Although in 1971-72, the last period studied, there was a big increase in the number of questions asked by Malay backbenchers (Chu Chi-hung, "Minority Representation in the Malaysian Parliament: the Performance of MPs in Parliamentary Forums" (1974 meeting of the American Political Science Association, Chicago, 29 August-2 September 1974)).

Orders the "proper object of a question is to obtain information,"[13] but this does not quite convey the real motives behind the asking of questions. Often the motive is to bring to public notice information which it is thought will give evidence of maladministration, or even scandal, for which the Government can be held responsible. Supplementary questions may be asked by any member immediately after the reply to the original question. These must be on the same topic as the original question, but the fact that they need not be announced in advance may make them harder to answer. The number of supplementary questions rose more than five times between 1963-64 and 1971-72,[14] although they had evidently become less popular by the end of 1974.[15]

Opportunities for speaking about a grievance at greater length (for those who are not members of the Government) are provided by Standing Order 17. A member who has given at least seven days' notice may raise "any matter of administration" on the motion "that this House do now adjourn". On rare occasions it is possible for a member to raise "any matter of administration" on the motion for the adjournment on the same day that his request is made. The Speaker, however, has to be satisfied that this is for the purpose of discussing "a definite matter of urgent public importance".[16] It is unusual for all three criteria to be fulfilled, although in 1963 Mr Tan Phock Kin persuaded the Speaker that they all applied in the case of an outbreak of cholera in Malacca.[17]

Government and Opposition in the Dewan Rakyat

It is important to ask whether a proper balance is being struck between the need of the Government to legislate and the need of the Opposition to probe and criticize. At one time procedures along the lines of the British House of Commons were difficult because of the existence of several opposition parties. There was no single opposition leader who could sit down with his government counterpart and try to

[13] S.O. 21(3).

[14] Chu Chi-hung, op. cit.

[15] *New Straits Times*, 5 November 1974 (Noordin Sopiee).

[16] S.O. 18.

[17] *Straits Times*, 24 May 1963. Recently the Deputy Speaker rejected such a motion (by Dr Tan Chee Khoon on the detention of six politicians, three of whom were MPs) on the ground that the matter was not urgent (*New Straits Times*, 5 November 1976).

work out gentlemen's agreements on allocation of time, choice of procedures, and so on. This problem was solved by having the opposition parties, in rotation, choose a member who would be recognized in the House as the opposition leader. After the formation of the National Front there were only three opposition parties represented in the House, and this was reduced to two after SNAP joined the Front in 1976. From November 1975 the opposition leader was Encik Lim Kit Siang of the DAP.

The question of whether or not the Opposition has enough scope in the House may be split into two parts: Is it given enough time? Within the time available can it debate effectively, given that certain topics of debate are restricted? On the first issue, there have been complaints from the Opposition that debates on really important bills have been cut short, for instance when the Government moved the closure of the Malaysia Bill after only fifteen hours' debate.[18] Shortly before Singapore left Malaysia Mr Lee Kuan Yew complained that he was not given the right of reply in a debate on the King's Speech (which is actually a government policy statement) in which he had moved an amendment dealing with communal problems and advocating a "Malaysian Malaysia".[19] Soon after Parliament resumed sitting in February 1971, DAP members "boycotted" it on one occasion by leaving an hour before the debate closed, claiming that there had been no opportunity provided to reply to the allegations against the Party.[20] In 1972 the House passed a motion that adjournment speeches (under Standing Order 17) should not be made during the first meeting of any session or during the budget meeting; it was explained that at these meetings members already had the chance to speak on a wide range of subjects in the debates on the King's Speech and the Supply Bill, respectively.[21] Later it was alleged by the DAP that during debates on the motion for the adjournment their members' speeches had to be cut short because Alliance/National Front members left the House, thus

[18] *Straits Times,* 15 and 17 August 1963; *Malay Mail,* 15 August 1963.

[19] Lee Kuan Yew, *The Battle for a Malaysian Malaysia* (Singapore, 1965), pp. 2-4.

[20] *Straits Times* (Malaysia), 27 March 1971. The Speaker stated that if the members had not left, they would have been given the opportunity to reply. In 1976 the DAP protested that Encik Lim Kit Siang had not been allowed to move certain amendments during the committee stage of the Employment (Amendment) Bill (ibid., 17 July 1976).

[21] Ibid., 11 May 1972.

ending the sitting for lack of a quorum.[22] However, the practice seems to have been discontinued after the 1974 elections. The question has another aspect. Besides the time allocated for debate during meetings of the House, the time available for members of the Opposition (and the Government) to study bills and related material and think about them is also important.[23] Often bills have been sent to members' homes only a few days before a sitting. Intervals between readings are also sometimes short.

The Constitution (Amendment) Act of 1971, among other things, amended Articles 63 and 72 of the Constitution and removed the protection MPs (and State Assemblymen) enjoyed from court proceedings in respect of anything said by them in the legislature. They were consequently subject to the provisions of the Sedition Act, as amended, which barred discussion on the principles (but not the implementation) of certain constitutional provisions, most of which affected relations between communal groups.[24] These restrictions did not benefit only Malays. It was now forbidden, for example, to discuss why a particular community should be given citizenship.[25] Nevertheless, it was the opposition parties principally supported by non-Malays which objected most to the restrictions. The DAP, in particular, thought that the issues which could not be debated would not disappear but would simply go underground.[26] The new limits on debate were in addition to an existing Standing Order providing that it would be out of order to use "words which are likely to promote ill-will or hostility between different communities in the Federation".[27] This Standing Order had been used, for instance, to prevent discussions on problems of loyalty raised by the report of an Education Review Committee in 1959.[28] Tempers were sometimes lost when arguments on communal topics raised the temperature of debate, and

[22] *China Press,* 17 July 1973, quoted in *Intisari Akhbar Harian; Straits Times* (Malaysia), 21 July 1974.

[23] E.g. the complaint by Dr Chen Man Hin (DAP) on the short notice given before the introduction of the 1976 bill to amend the Constitution (ibid., 14 July 1976).

[24] See pp. 96-7.

[25] *New Straits Times,* 15 January 1976, quoting the Law Minister and Attorney-General.

[26] *Parliamentary Debates on the Constitution Amendment Bill 1971* (Kuala Lumpur, 1972), p. 104 (Fan Yew Teng).

[27] S.O. 36(10).

[28] *Straits Times,* 10 December 1959.

shouts were sometimes heard of "Go back to Arabia" and "China for you".[29]

When Parliament resumed sitting in 1971 the Speaker was responsible both for continuing to apply Standing Order 36 and for forming "guidelines"[30] in accordance with the changes in the law. The Speaker's task was quite difficult; sometimes when the more militant government members thought that a speech was getting close to "sensitive topics", they would bang their desks or make noises to attract his attention. Obviously, a good deal depends on the finesse of the member speaking. "The four-letter words of Malaysian political debate have been deleted from the political dictionary, so the three- and five-letter words are going to get a good airing".[31] Careful phrasing and a reputation for not being "abrasive" are of help; for instance, Dr Tan Chee Khoon could sail much closer to the wind than Encik Lim Kit Siang.

No MP has yet been tried for sedition on account of statements made in the House. However, Encik Fan Yew Teng was convicted on 13 January 1975 for publishing a seditious speech in the DAP journal, *The Rocket*. His appeal to the Federal Court in July 1975 was dismissed and he then appealed to the Privy Council. The conviction raised the question of whether he was disqualified for membership of the House by Section 48 of the Constitution because he had been sentenced to a fine of $2,000 and had not received a free pardon. The House's decision on disqualification is final, although it may post-pone a decision until any relevant proceedings are taken or determined (Article 53). In November 1975 the House referred the matter to the Committee of Privileges, which recommended that a decision be deferred until he had been allowed to seek all legal avenues to clear himself (appeal to the Privy Council).[32]

[29] A variant was heard as late as 1971 in the *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 178, when India and Indonesia were substituted.

[30] *Straits Times* (Malaysia), 14 November 1970.

[31] Ibid., 27 March 1971 (Fan Yew Teng).

[32] *New Straits Times,* 13 March 1975, 17 July 1975, 1 and 5 November 1975, 7 February, 17 March, 15 April 1976; *Speech by Lim Kit Siang in the Dewan Rakyat, Friday, 31st October 1975* (mimeo.). The Fan sequence was even more intricate than this summary suggests. In a previous trial he had been convicted of this offence, but on appeal it was held that the trial was a nullity. Also, a by-election in March 1975 had been authorized to replace him as member for Menglembu, but this was stopped by a court order (see p. 293).

It must be concluded that the contribution of the Opposition in Parliament is necessarily very limited. There is not a great deal of consultation by the Government, and not many opposition amendments are accepted.[33] In the important sphere of economic policy it has been said that opposition MPs cannot make real contributions because they are limited by lack of knowledge and access to information.[34] With the increases in the number of parties and MPs in the National Front, the Opposition inevitably has grown weaker. Two of the four main opposition standard-bearers in the House in the early 1960s, Zulkiflee bin Muhammad (PAS) and D.R. Seenivasagam (PPP), have died. Another, Dr Lim Chong Eu, now leads Gerakan, a component of the Front. This has placed a heavy burden on the fourth, Dr Tan Chee Khoon, who, as the only representative of Pekemas in the House, has to speak on a wide range of subjects, as well as carry on party work and engage in his medical practice. In November 1976 he suffered a stroke and had to reduce his political activities, at least temporarily. The presence of PAP speakers raised the level of debate in the House, but only between 1963 and 1965. Opposition is now carried on almost entirely by the DAP, most of whose members are practically full-time politicians. Significantly, however, as is indicated by the fact that the DAP has not joined the Front, this is precisely the party which has least in common with the Government; consequently there is not much basis for Government-Opposition cooperation.

It was not remarkable that Dr Tan Chee Khoon asked, ". . . if all political parties joined the National Front, who would provide the voice of dissent so vital to a parliamentary democracy?"[35] Later, after the 1974 elections, a suggestion came from a government source for helping to supply the deficiency. Datuk Abdullah Ahmad called on all National Front MPs to make full use of the Dewan Rakyat to express constructive views: the Government was not afraid of criticism so long as it did not arouse racial feelings.[36] Until National Front members

[33] An important exception was the Internal Security Bill of 1960 (*Straits Times*, 23 June 1960). A recent problem facing critics of some bills is that very wide powers are asked for, but at the same time it is claimed that they will probably not be used. The Industrial Coordination Act and the Petroleum Development (Amendment) Act, both of 1975, were in this category (pp. 346, 348-50).

[34] *New Straits Times*, 5 November 1974 (Noordin Sopiee).

[35] *Straits Times* (Malaysia), 3 April 1973.

[36] *New Straits Times*, 22 November 1974.

take this advice, interest in Parliament will centre almost entirely on its functioning as a platform for announcements on government policy.

The Dewan Negara (Senate)

There are fifty-eight members of the Senate (Dewan Negara): twenty-six are elected by the Legislative Assemblies of the thirteen states; and thirty-two are appointed by the Yang Dipertuan Agung, on the recommendation of the Prime Minister, from among those who "have rendered distinguished public service or have achieved distinction in the professions, commerce, industry, agriculture, cultural activities, or social service, or are representatives of racial minorities or are capable of representing the interests of aborigines".[37] The normal term of office is six years, but initially some were appointed for shorter periods so that all the Senators' terms would not end in the same year. Dato Onn alleged that the original appointed Senators were not "distinguished" in spite of what the Constitution said.[38] This assertion is true, and the inference is also true that such Senators, including some appointed since, may not be very active politically after their appointment. But another development took place later. The Senate began to be used as a base for some politicians. These have included T.H. Tan (later Tan Sri Mohd. Noor Tahir Tan), at one time Executive Secretary of the Alliance, and politicians without a seat in the House who were being appointed to the Cabinet or groomed for such an appointment, such as Tan Sri Khaw Kai Boh, Tan Sri Ghazali Shafie, Dr Lim Keng Yaik and Dr Mahathir bin Mohamad. Apart from the fact that it is normal for democratic countries to have two chambers, there is the special reason that, because Malaysia is a federation, a second chamber might be especially desirable, since it represents the states and is an instrument for protecting states' rights. But a study of Senate debates shows that not even the Senators chosen by the State Assemblies actually perform this role. More generally, second chambers are supposed to prevent hasty and ill-considered legislation by providing an element of mature deliberation not attainable by first chambers. But the Malaysian Senate does not work this way; it rather acts as a rubber stamp for the House of Representatives. There is often not enough time between a bill's

[37] Constitution, Article 45.

[38] *Sunday Times,* 29 November 1959. See also *Straits Times,* 12 December 1962. A similar criticism was voiced later by Dr Tan Chee Khoon (*Straits Times,* 10 July 1964).

passage in the House and its introduction in the Senate to allow proper consideration. On paper the Senate's powers are the same as those of the House, except that financial legislation cannot begin in the Senate and that such legislation cannot be debated in the same degree of detail as in the House. The Senate can only delay, not block completely, non-financial legislation passed by the House.[39] The Senate has shown little initiative. For instance, although it is empowered to originate non-financial legislation, it has not done so. An early editorial assessment[40] was that the Senate debates have been brief and dull and that its liveliest session was one which was null and void, because it had no right to hold it.[41]

At least until recently, the Senate has been of service more as a source of patronage than as anything else. Since the formation of the National Front the situation may be changing. Senators have become "more forthright and critical". It is said that, in the absence of an opposition party in the Senate, the backbench Senators have been given more latitude by the party than in the House, and, while supporting the Government, have not pulled their punches.[42] Certainly, some recent debates, such as the January 1976 debate on a Loan Bill,[43] which ranged widely on economic questions generally, contained good contributions, including one by a new Senator, later appointed Deputy Finance Minister in April 1977, Puan Rafidah Aziz.

State Legislatures

The powers of the states are so limited that their role in the government of the country is comparatively small. Constitutionally, the legislature of each state bears the same relationship to the state executive as the Federal Parliament bears to the federal executive: that is to say, the state executive is responsible to the state legislature and cannot remain in office without the legislature's support. In practice, harmony between the two bodies is secured by the fact that the state executive and the majority of the state legislature are members of the same political party.

[39] Constitution, Article 68.

[40] *Straits Times,* 28 September 1962.

[41] The debate was on the 1961 Supply Bill, and was contrary to Senate S.O. 53 (*Sunday Mail,* 8 June 1960).

[42] *New Straits Times,* 14 October 1975 (Senator Kamarul Ariffin).

[43] Ibid., 30 January 1976.

In each state the legislature consists of a single chamber, the State Legislative Assembly.[44] The elected membership ranges from twelve (Perlis) to forty-eight (Sarawak and Sabah). The procedure is modelled on that in the Federal Parliament. Most state legislatures meet only four or five times a year, and these meetings are usually very short except for the budget debate. The most important state function, land, is the subject which is discussed at the greatest length. Three government officials—the State Secretary, the State Legal Adviser, and the State Financial Officer—may attend meetings of the State Legislative Assembly, but do not have the right to vote.

When Sabah and Sarawak joined Malaysia members of their legislatures were mostly elected, but indirectly, via district councils and other bodies. Since 1967 in Sabah and since 1970 in Sarawak there have been direct elections to the legislatures. However, in Sabah, under the former Chief Minister, Tun Mustapha, the colonial practice of having nominated members (six) in the Assembly was revived, as an additional source of patronage and support for the regime.

Legislators and Constituents

The relation between legislators (both parliamentary representatives and State Assemblymen) and their constituents has recently become a focus of attention. Increasingly, perhaps, the legislator is seen less as a person who can influence *what* is legislated and more as a person who can advise his constituents on *how* the legislation can be implemented to the latter's benefit.[45] The National Front has gone further than the Alliance institutionally in this direction, and its MPs and State Assemblymen have been asked to set up constituency offices to serve the public, and also to submit monthly reports on their activities.[46] Three research papers on the topic were also delivered at a meeting of the Research Committee on Legislative Development of the International Political Science Association in Penang, in March 1975.[47]

[44] In Sarawak this is called the Council Negri.

[45] See p. 228.

[46] *New Straits Times,* 22 May 1976.

[47] David Gibbons, "The Political Culture of Malaysian Fishermen and the Roles of Parliamentary Politicians"; M.C. Kumbhat and Y.M. Marican, "Constituent Orientation Among Malaysian State Legislators" (reprinted in *Legislative Studies Quarterly,* Vol. 1, No. 3 (1976), pp. 389-404); Michael Ong, "The Member of Parliament and His Constituency: The Malaysian Case" (reprinted in ibid., pp. 405-22). Additionally, work has been done on Malaysian legislators by Lloyd D. Musolf

From these papers and other sources a picture can be built up of the main concerns of constituents. In rural areas most of the problems concern land and the general shortage of amenities; on agriculture specifically, the price of rice and padi and the provision of irrigation and fertilizers are prominent. There are many personal requests, for testimonials for example, and obligations to attend weddings and sports activities. In Kelantan it has been said that what the people wanted was a welfare officer rather than a representative.[48] In urban areas, where the proportion of non-Malays is higher, many requests concern passports, citizenship, jobs, squatters' problems, acquisition of taxi and hawkers' licences, and accommodation in low-cost flats. In an urban setting there are more government authorities involved, and often legislators have difficulty in knowing which authorities to approach for help. Representatives may be asked to settle personal disputes or to provide financial help. On one occasion, a hearse for a small community in the constituency, at a cost of $48,000, was requested![49]

There is also a difference in the role of the legislator according to whether he belongs to the Front (government party) or not. If he does belong to the Front, he cannot reject a request outright. Since he is in the government party he is thought to have influence over things the Government can do. However difficult the situation, the legislator has to say, "I will try my best."[50] Opposition MPs are also kept busy with constituents' requests, even though they lack the same access to governmental power.[51] Although government legislators are believed to have better access, it is thought that opposition legislators, if active, can still obtain results, although with more delay.

The Yang Dipertuan Agung

The Supreme Head of the Federation is the Yang Dipertuan Agung ("He who is made Lord"), elected for five years from among the state

and J. Fred Springer. Their "Parliament of Malaysia and Economic Development: Policy-making and the MP" is to appear in a book edited by Joel Smith and Lloyd D. Musolf, published by Duke University Press.

[48] Clive S. Kessler, "Muslim Identity and Political Behaviour in Kelantan", William R. Roff, ed., *Kelantan: Religion, Society and Politics in a Malay State* (Kuala Lumpur, 1974), p. 299.

[49] *The People's Representative—Some Do's and Don't's* (MCA, n.d.) (mimeo.).

[50] *New Straits Times,* 26 October 1975 (Datuk Abdullah Ahmad).

[51] Michael P. Ong, op. cit., p. 419.

Rulers. He is, constitutionally, the source of all authority, whether legislative, executive, or judicial. Bills passed by Parliament become law only after he has assented to them. The Cabinet acts in his name and by his authority. He appoints judges, and the law courts are "his" courts. He takes absolute precedence over everyone else in the Federation.

In practice, however, the King may not exercise these wide powers as he likes, any more than the British Queen can behave as an absolute monarch. The Constitution binds the King very strictly. In nearly every sphere he must act on the advice of the Ministers who form his Cabinet,[52] which must have the support of the House of Representatives, elected by the people. The King is therefore a "constitutional" monarch, and does not actually govern the country. He is consulted by the Cabinet before important decisions are taken; he may give advice to them if he wants to; he is informed of what is eventually decided. That is the limit of his powers. On the death of the first King, the Prime Minister paid tribute to him by saying that "never once had he tried to interfere with the running of the Government".[53]

A King may be actually less free to do what he wants than an ordinary person would be. For example, a King wishing to take an additional wife (as is permitted in Muslim law) might be advised by the Cabinet to postpone his nuptial plans until after his term was over. On a few particular matters the King may exercise his discretion.[54] There are two vital points about which the constitutional mechanism may not be entirely self-regulating. First, the King must choose a Prime Minister, who in his judgment is "likely to command the confidence of the majority of the members" of the House of Representatives.[55] Obviously, if any single political party wins more than half the seats in the House of Representatives at a general election, then the King's task is easy. He sends for the leader of that party, appoints him as Prime Minister, and asks him to form a government. But if no single party wins an absolute majority, there may have to be negotiation

[52] Constitution, Article 40(1).

[53] *Malay Mail*, 2 April 1960.

[54] Constitution, Article 40(2). The matters not elaborated on here include "the requisition of a meeting of the Conference of Rulers concerned solely with the privileges, position, honours and dignities of Their Highnesses, and any action at such a meeting", and other cases mentioned in the Constitution, including appointment of the members of the Public Services Commission and the Railway Service Commission.

[55] Constitution, Article 43(2).

before it is clear which party's leader, if any, can command a majority in the House. In these circumstances the King could help the mechanism to function and prevent a deadlock. Second, the King has a discretionary power over the dissolution of Parliament. The Constitution (Article 55(3)) lays down a maximum period of five years between elections, but the interval may be shorter than this. It is possible that a party might win by a narrow majority at an election and its leader would be chosen Prime Minister by the King. The majority might disappear, however, through loss of by-elections or by members leaving the party and joining an opposition party. The Prime Minister might then find it impossible to continue governing, and might request the King to dissolve the House and to authorize another election. The King might grant the request; but he might refuse it, in which case the Prime Minister, having lost the support of the House, would have to resign. The King would then choose another party leader to form a government which could obtain the support of the House. Factors which would influence the King in granting or refusing a dissolution would include the length of time since the last election, and the prospects of any alternative Prime Minister being able to command a lasting majority.

The King has not had much opportunity to exercise these discretionary powers. But it does not follow that he is merely a figurehead. In the first place he can "exercise a vague yet powerful influence for good",[56] in advising the Cabinet, as described earlier, even though the Cabinet may not, and need not, follow his advice. The King also plays the important role of personifying the nation and constituting a focus for loyalty, a vital task in a multi-racial society like Malaysia. In playing this role, however, the King's influence is weakened by two considerations. He is elected for only five years, too short a time for loyalty to each King to be firmly established. The first two Kings did not live long enough to serve even five years; the first ruled for less than three years, the second for only half a year. The next three served the full term. Because of these considerations, it has been suggested that the King should be elected for life.[57] On the other hand it has been argued that the very fact that

[56] R.H. Hickling, *An Introduction to the Federal Constitution* (Kuala Lumpur, 1960), p. 32.

[57] R.H. Hickling, "The First Five Years of the Federation of Malaya Constitution", *Malaya Law Review,* Vol. IV, No. 2 (1962), p. 86.

the office rotates may ensure that the people of the several states "identify themselves more closely with the Federation".[58] The Rulers themselves would probably not approve of a change, because it would greatly reduce any individual Ruler's chances of ever becoming King. The other factor weakening the institution of kingship is the very existence of the Rulers of the states. They, not the King, command Malay traditional loyalty, and they, as well as the King, can confer honours and titles.

The Malaysian King is remarkable in being an *elected* monarch, although it is a very restricted kind of election. The electors are the nine Rulers of the states and their choice is limited to one of their own number. The election[59] takes place in the Conference of Rulers, but for this purpose only the nine Rulers are included, not the four Governors. A Ruler need not attend in person; he may send a representative instead. Voting takes place on the candidacy of the Ruler next in precedence[60] after the previous King, unless this Ruler is a minor or has declined to offer himself for election. The voting takes the form of each Ruler declaring whether the Ruler in question is suitable or unsuitable to be King. A resolution that a Ruler is unsuitable is carried only if at least five members of the Conference have voted thus.[61] The Rulers do not endorse automatically the most senior Ruler as King. When the first King was elected in August 1957, the Ruler who was first in order of precedence, the 84-year-old Sultan of Johore, withdrew his name. The next in order, the Sultan of Pahang, was voted unsuitable, so the third in precedence, the Ruler of Negri Sembilan, was elected by eight votes to one.[62] It has been alleged that before the 1970 election there was lobbying to prevent the Sultan of Kedah from being elected. The motive was to prevent the Tunku from resigning as Prime Minister, which he felt bound to do if his nephew

[58] F.A. Trindade and S. Jayakumar, "The Supreme Head of the Malaysian Federation", ibid., Vol. VI, No. 2 (1964) p. 281.

[59] Constitution, Article 32(4) and Third Schedule. A parallel to the election is found in the choice of the Ruler of Negri Sembilan by the Undangs, or territorial chiefs (Sir Richard Winstedt, *The Malays: A Cultural History,* 6th edn. (London: Routledge and Kegan Paul, 1961), pp. 86-90).

[60] For details, see the Constitution, Third Schedule, I, 4. For a commentary, see Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), pp. 21-7.

[61] Ibid., I, 1(2).

[62] *Straits Times,* 2 and 14 April 1960.

became King.[63] The Sultan of Kedah was, nevertheless, elected.

On appointment as King, a Ruler ceases to rule his own state, and a Regent, or Council of Regency, is appointed to exercise the executive functions. The King, however, remains head of the Muslim religion in his state, and must also give his assent to any change in the state Constitution during the regency.[64]

There is also provision for a Deputy (Timbalan Yang Dipertuan Agung), who may perform the King's functions if the King is unable to do so, for example because of illness or absence from the Federation. On such occasions the Deputy enjoys all the rights, prerogatives, and privileges of the King. He also acts between the death of a King and the election of his successor.[65] At all the elections (except the first, when the question did not arise) the Deputy has been elected King.

The Cabinet

The actual government of the country is in the hands of the Cabinet (except for the period 1969-71 when government was shared with the National Operations Council). The Cabinet is drawn from the majority party in Parliament,[66] mostly from the House, although one or two members may be from the Senate.

Members of the Cabinet are appointed by the Yang Dipertuan Agung on the advice of the Prime Minister, who has discretion in choosing the Cabinet, giving due attention to political status, political support, representativeness and ability. In appointing members of the constituent parties of the National Front (formerly the Alliance), he is guided by the wishes of the leaders of its component parties. However, in September 1973, the inclusion of Encik Michael Chen, Executive Secretary of the Alliance, seems to have been more the personal decision of the Prime Minister, Tun Razak, than the choice of the MCA President, Tun Tan Siew Sin. For some choices to be understood, background information is necessary. In the September

[63] Syed Hussein Alatas, "The Politics of Coalition in Malaysia", *Current History*, December 1972, p. 272; see p. 95, fn. 72.

[64] Constitution, Article 34.

[65] Constitution, Article 33.

[66] However, the Datu Bandar was in the Cabinet in 1964, although his party, PANAS, was not in the Sarawak Alliance. Datuk Abdul Ghani Gilong, already in the Cabinet in 1975, remained a member although the status of the two parties he belonged to in the Alliance—successively, USNO, Berjaya, USNO—was temporarily obscure.

1974 Cabinet there was an unusual appointment and an unusual non-appointment. Tun Mustapha was appointed Minister of Defence (although he did not take up the appointment) in an effort to remove him painlessly from Sabah, where his actions were troubling the Federal Government. And, although Tengku Razaleigh was not included in the Cabinet, Tun Razak made a point of saying that his job as head of PETRONAS was equivalent to a Cabinet position. Appointments must be balanced with respect to the various ethnic communities and must include members from Sabah and Sarawak. The ratio of Malays to non-Malays has fluctuated. It was 67 per cent in 1959, fell to 56 per cent after the 1964 elections, and rose again somewhat in the early 1970s. In the July 1976 Cabinet, the Malay proportion was 62 per cent, but the Muslim proportion (counting the two Muslim Ministers from Sabah and Sarawak) was 71 per cent. Although the proportion of Malays had fallen, 1957-76, the proportion of Chinese (and Indians) did not rise, because of the need to include representatives of the Borneo states. The 1957 Chinese representation of 23 per cent dropped to 19 per cent in 1974, although it recovered to 22 per cent in September 1976. An editorial in the MCA journal, *The Guardian,*[67] in 1974 complained that the proportion of Chinese in the Cabinet should reflect their proportion in the population. However, the *real* loss to the Chinese since 1957 has not been via any small shift in percentages but in the loss of major portfolios. Before 1969 it was clear that the Ministers concerned with defence, internal security, education, agriculture, and rural development would be Malay, and that the finance and the commerce-and-industry portfolios would be held by Chinese. However, when the Cabinet was reconstituted after May 1969, the Chinese Minister of Commerce and Industry was defeated, and none of his successors has been Chinese. Also, when Tun Tan Siew Sin resigned as Finance Minister in 1974, he was not replaced by a Chinese. Besides losing a key portfolio, the Chinese had lost a Cabinet member who had exercised real power, for instance in laying down the financial terms for the entry of Singapore, and also Brunei, into Malaysia.

The Cabinet should not be too large for effective discussion. It has risen from 13 in 1957 to over 20, having fluctuated between 21 and 24 during 1974-76. As functions and ministries increase, either the numbers in the Cabinet must grow or a Minister must be given more than one ministry. Because of his deserved reputation for hard work,

[67] Vol. 6, No. 9 (1974). See also pp. 378-9.

Tun Razak, both while Deputy Prime Minister and Prime Minister, accumulated portfolios, and, in spite of his illness, began to shed functions only a few months before his death.[68]

Some Ministers are designated as Ministers Without Portfolio. Sometimes this is done to retain members in the Cabinet after they have been sent abroad to head diplomatic missions. It has also been done to include a Minister who is concerned with party rather than governmental functions, for instance Encik (later Tan Sri) Khaw Kai Boh, appointed Minister in April 1963 with the task of organizing the Alliance for the forthcoming local elections and consolidating the Grand Alliance in the Borneo territories. More recently, a new title appeared, "Minister with Special Functions", which has been held, among others, by Tun Tan Siew Sin, Tan Sri Ghazali Shafie, Dr Lim Keng Yaik, Encik Michael Chen, Tengku Rithauddeen and Datuk Asri. It may be combined with a specified ministry; in September 1974 Datuk Asri was created "Minister of Lands and Mines and Special Functions". This was not spelt out in the title, but in fact concerned religious affairs. All kinds of combinations were used. In August 1973 Encik Michael Chen was described as simply "Minister with Special Functions"; his main function, which was related to New Villages, was recognized in his subsequent title in 1974, "Minister of Housing and New Villages". Tengku Rithauddeen was appointed "Minister with Special Functions" in August 1973, and four months later became "Minister of Information and Special Functions". He had in fact assisted Tun Razak on foreign affairs, and before becoming Minister of Foreign Affairs in August 1975 he held the transitional title, "Minister of Information and Special Functions for Foreign Affairs".[69]

Just as there can be varying combinations of functions given to Ministers, so the number of ministries may be altered, and functions may be transferred from one to another. In the field of rural development, changes have been particularly numerous in the title of the ministry concerned with this function and related subjects. The creation of the original Ministry of Rural Development (October 1959), which became the Ministry of National and Rural Development

[68] By appointing a separate Foreign Minister, Tengku Rithauddeen, in August 1975, and by transferring responsibility for the National Bureau of Investigation to the Attorney-General in January 1976 (*New Straits Times*, 7 August 1975 and 30 December 1975).

[69] Ibid., 7 August 1975.

in 1964, was largely a response to the results of the 1959 elections, which showed that the UMNO vote was subject to successful attack by the PAS in Kelantan and Trengganu. It also offered scope for Tun Razak's organizing ability in this sphere. Changes in the titles of ministries conform to the course of social or economic trends, as well as of politics. The inclusion of "technology" in the name of one of the ministries also showed a prevailing trend. The term, "New Villages", or "Village Development" was designed to reassure those Chinese who feared that the New Economic Policy might not take account of the needs of these settlements. The creation of a Ministry of Coordination of Public Corporations in 1974, in 1976 renamed Ministry of Public Enterprises, reflected the importance of these organizations in the New Economic Policy, particularly for promoting Malay participation in business. Proposals are sometimes made for a Ministry of Economic Affairs, which would pay special attention to the needs of Malays, but they have been unsuccessful; the relevant functions are already being performed elsewhere, particularly in the Prime Minister's Department. On the other hand, the disappearance of "Minister for Sarawak (or Sabah) Affairs" showed that these *ad hoc* creations, which had slight value even symbolically, had outlived their usefulness.

The Ministerial Hierarchy

At the time of Independence, Ministers were already being helped by Assistant Ministers, whose existence was officially provided for by a change in the Constitution (Article 43A). Later their title was changed to "Deputy Ministers". They assist Ministers in the running of the ministries, speak in Parliament on the subjects covered by their ministry, and sometimes act on behalf of Ministers when they are out of the country. In the July 1976 Cabinet there were 19 Deputy Ministers: 12 Malays, 5 Chinese, 1 Indian, and 1 non-Muslim native from Sarawak.

In 1964 constitutional provision was made for Parliamentary Secretaries and Political Secretaries; the former must be drawn from one of the Houses of Parliament, the latter need not. Parliamentary Secretaries differ from Deputy Ministers in being lower in rank and in having only parliamentary, not administrative, duties. Political Secretaries have mainly public relations functions. Only about half the ministries have Parliamentary Secretaries, but most have Political Secretaries. Parliamentary Secretaries who perform well may be promoted to Deputy Minister, as six of them were in March 1976.

Similarly, Deputy Ministers are a source of recruitment for the Cabinet. Four of the Ministers appointed in March 1976 were promoted from Deputy Minister. However, other kinds of preparation are also useful for training or testing. Datuk Musa Hitam had been an Assistant Minister before being dismissed by the Tunku in 1969. When he returned to Malaysia after studies in England, experience as chairman of FELDA and then as Deputy Minister preceded his appointment as Minister in August 1974. Dr Mahathir, after rejoining UMNO but before being appointed to the Cabinet, also in August 1974, proved his administrative capacity as chairman of FIMA (Food Industries of Malaysia).

The duties of the Prime Minister are so onerous that he is in particular need of ministerial support in his department. Before the Cabinet changes of March 1976, there were two Deputy Ministers in the Prime Minister's Department. After March 1976 there were three Ministers Without Portfolio and one Deputy Minister. This indicated a determination to delegate on the part of the new Prime Minister. However, one of the new Ministers, Datuk Athi Nahappan, died soon afterwards, and another, Datuk Samad Idris, was moved to another ministry in July 1976. The remaining Minister Without Portfolio, Tan Sri Chong Hon Nyan, whose function was to advise the Prime Minister on economic matters, stayed on. However, additional help was provided by an increase in the number of Deputy Ministers in the department from one to two in July 1976.[70]

Cabinet Procedure: The Prime Minister

The Cabinet usually meets once a week. The Prime Minister (or, in his absence, the Deputy Prime Minister) presides. The Permanent Secretary to the Prime Minister's Department, as head of the Cabinet Secretariat, is responsible for summoning meetings of the Cabinet, arranging the agenda, distributing papers for discussion,[71] keeping minutes, and passing on the decision of the Cabinet to government bodies required to implement them. Records of discussions are not kept; the minutes are merely a statement of what has been decided and a direction to the Ministers concerned to implement the decisions. Even the minutes are not made public. Information about the workings of the Cabinet is therefore slight, and still less is known

[70] *New Straits Times*, 6 and 18 March 1976, 3 July 1976.

[71] Those papers which involve finance (90 per cent) must have Treasury clearance first (*Straits Times* (Malaysia), 6 December 1972, quoting Tun Tan Siew Sin).

about the committees which are set up by the Cabinet.

Consequently, knowledge of what Cabinet meetings are like is very limited. They are informal in the sense that votes are seldom taken.[72] Discounting the period immediately after 1969, which was not typical, there seems to have been more discussion of issues under Tun Razak than under the Tunku. Secrecy is strictly observed. The Tunku, commenting on the separation of Singapore, said that the decision had been kept secret: "that is how we work in Cabinet, and it has been working like that for the last seven years".[73] Perhaps this was an extreme example because the negotiations for separation did not involve the whole Cabinet, but only a few members. Nevertheless, the reference to the general practice on secrecy is enlightening.

The Prime Minister holds a dominating position in the Cabinet. He has the power to hire and fire its members; he presides at its meetings; he is the chief negotiator with representatives of foreign powers, even if he does not himself hold the Portfolio of Foreign Affairs. However, it would be incorrect to attribute all his power to his constitutional position. A good deal depends on his personality, national reputation, and, above all, his position as President of UMNO and of the Front (formerly of the Alliance). The Tunku, for example, drew strength from all these sources, also from his role as the principal architect of Independence, and from the sheer length of time in the office (although latterly this produced some backlash). He was able to give up the Prime Ministership in 1959 in order to devote himself to working for the Alliance Party for the forthcoming elections, and take it up again four months later. This constitutional interruption had no effect on his standing or on government policy.

The Prime Minister's power is shown by his ability to choose whether or not to dismiss Ministers, and by his power to select the Deputy Prime Minister. The Cabinet is collectively responsible to Parliament,[74] which in practice means the House of Representatives. If any member is "out of step" with his colleagues, he is expected to resign. If he does not do so, the Prime Minister can advise the King to revoke his appointment.[75]

[72] From 1957 to 1969, only once, according to Tun Tan Siew Sin. The only dissenting member was Encik Abdul Aziz bin Ishak (*Blueprint for Unity* (Kuala Lumpur, 1972), p. 292).

[73] *Daily Express* (Sabah), 21 August 1965.

[74] Constitution, Article 43.

[75] Ibid.

A good example of the collective responsibility concept was provided by the case of Encik Abdul Aziz bin Ishak, Minister of Agriculture, in 1962. There were several points of difference, centred mainly on economic policy in the rural areas, between him and the rest of the Cabinet. Originally the Prime Minister did not dismiss him, but moved him to another Cabinet post, but eventually Encik Aziz was forced to resign. He had to resign from UMNO as well, and then founded the National Convention Party, which contested the 1964 election, but without success. The Tunku was slow to use his constitutional powers, no doubt partly because Encik Aziz was believed to have some popular support among fishermen and rice planters. However, in the end the Tunku stated, unequivocally and correctly, the constitutional position on collective responsibility.[76] In practice, under the Tunku, collective responsibility meant that a colleague who did not agree with *him,* as distinct from the rest of the Cabinet, would have to get out. The Tunku dismissed an Assistant Minister, Datuk Musa Hitam, on account of "unfavourable reports", particularly about "doubtful loyalty to the Government", but did not elaborate.[77] To the Tunku loyalty was a most desirable quality in a Minister, and was perhaps more important to him than ability; he in his turn was loyal to Ministers whom he might have dismissed, preferring, for instance, to allow Encik Abdul Rahman Talib, a Minister who had lost a libel case against D.R. Seenivasagam who had accused him of corruption, to resign.[78]

The post of "Deputy Prime Minister" is not mentioned in the Constitution. According to the Tunku, the Deputy "carries on the duties if the Prime Minister is away and helps him discharge his numerous duties".[79] Tun Razak was referred to as Deputy Prime Minister for some time before the Tunku definitely stated that he would be his successor and that the "question of succession in the Alliance is automatic".[80] It may have been rather early to generalize:

[76] *Malay Mail,* 23 August 1962. For a full treatment of the episode, see Karl von Vorys, *Democracy Without Consensus* (Princeton, 1975), pp. 171-83.

[77] *Straits Times,* 1 August 1969, and *Sunday Times* (Malaysia), 3 August 1969.

[78] Von Vorys, op. cit., pp. 183-8.

[79] *Straits Times,* 23 February 1960.

[80] Ibid., 1 February 1966, quoted in H.H. Indorf, "Party System Adaptation to Political Development in Malaysia during the First Decade of Independence, 1957-67" (New York University Ph.D. Thesis, 1969), pp. 220-1. The Tunku also expressed this view in an interview (Penang, 7 May 1975).

there had not yet been any example of succession. Presumably, too, a Prime Minister could replace a Deputy, given favourable circumstances. In fact, the succession of Tun Razak to the Tunku was not at all a sudden process.[81] But, equally, after Tun Razak's death in January 1976, Datuk Hussein Onn's succession was indeed "automatic" when the process *was* necessarily sudden. The selection of a Deputy is therefore of great importance. There was little controversy over Tun Razak's choice of Tun Ismail as his Deputy, but on the latter's death Datuk Hussein Onn was not a completely obvious choice, and, apart from possible contestants in UMNO, Tun Tan Siew Sin put in a claim which was not successful.[82] Datuk Hussein Onn's choice of Dr Mahathir as Deputy was also not obvious, Encik Ghafar Baba and Tengku Razaleigh being senior UMNO Vice-Presidents, although the latter might have been considered too young. While the Prime Minister, constitutionally, has quite a wide range of choice, in fact his appointment must be acceptable to the National Front, and particularly to UMNO. Indeed the pattern seems to be that the same person will be chosen as Deputy Prime Minister and as Deputy President of UMNO. However, although Datuk Hussein Onn's election as Deputy President of UMNO occurred a few days before he was made Deputy Prime Minister,[83] Dr Mahathir's appointment as Deputy Prime Minister came first,[84] and there was no immediate confirmation of an UMNO Deputy President.

The Constitution requires that the Prime Minister be a citizen by operation of law, not by registration or naturalization. He cannot be a Senator, but must be in the House of Representatives. The Constitution is silent on any requirements about ethnic origin, but, especially since 1969, the possibility of a non-Malay Prime Minister is scarcely conceivable in the foreseeable future.

Departments and Other Government Bodies: Coordination

Obviously, coordination of departments in each ministry is made easier if they deal with similar subjects. Even if this is achieved, coordination *among* ministries is still necessary. However, recently,

[81] See pp. 84, 89 and 95.

[82] *Far Eastern Economic Review,* 3 September 1973, p. 23.

[83] *Straits Times* (Malaysia), 10 and 14 August 1973.

[84] *New Straits Times,* 6 March 1976.

overall coordination has been made harder by the growth of governmental bodies, which are not fully responsible to a Minister; although, in varying degrees,[85] they are responsible for general policy, they exercise discretion in day-to-day administration. This freedom is allowed because their functions are usually concerned with financial operations, or with development, and regular government controls would restrict their activities. Some of these organizations, such as MARA, PERNAS and State Economic Development Corporations, are mentioned in chapter 10. There are many others, including, for example, banks, such as Bank Negara (the Central Bank) and Bank Pertanian (the Agricultural Bank), and development authorities, such as the Pahang Tenggara Development Authority (DARA) and MADA, the Muda Agriculture Development Authority. Overlapping of functions was criticized by the Harun Commission,[86] and one government official said that in the agricultural field alone there were about twenty-seven organizations with functions that partially duplicated each other. Attempts at coordination have taken the form of recommending coordinating committees, as well as setting up a Ministry for the Coordination of Public Corporations in 1974, renamed the Ministry of Public Enterprises in 1976.[87]

More generally, there is a committee system designed to ensure coordination, covering not only organizations at national level but also those at lower levels. For both development and action/implementation there are committees at national, state, and district level.[88] The key coordinator at state level is the State Development Officer, and at district level, the District Officer. A similar pattern exists for national security. When a Green Book Plan, designed to grow more food, was launched in 1974, the machinery

[85] Control over PERNAS, for example, is limited because it is not a government statutory body but a company.

[86] *The Star,* 14 December 1974; *Royal Commission on the Remunerations and Conditions of Service in Local Authorities and Statutory Bodies* (Kuala Lumpur, 1973) (Harun Commission Report).

[87] However, the Ministry was responsible for only some of these organizations. See also R.S. Milne, "The Politics of Malaysia's New Economic Policy", *Pacific Affairs,* Vol. 49, No. 2 (1976), p. 247.

[88] Majlis Tindakan Negara, *Arahan No. 1* (Kuala Lumpur, 1971); Kamal Salih *et al., Industrialization Strategy, Regional Development and the Growth Pole Approach, A Case Study of West Malaysia* (Nagoya, Japan, 1975); Stephen Chee, *Government Policy and Rural Development in Malaysia* (Kuala Lumpur, 1975), p. 22; *Straits Times* (Malaysia), 1 July 1971; Noordin Sopiee, "Malaysia Plan", ibid., 25 February 1973.

chosen was the existing National Action Council, the State Action Committees, the Village Development Committees and other bodies concerned.[89] There was always great insistence on the part of Tun Razak that problems should be solved at lower levels if possible; if this could not be done, then assistance should be sought from a higher level. The thing to avoid was sitting on problems until he or another Minister came along on a visit.[90]

Coordination is also attempted by setting up units which consider some important aspect of the work of government departments and agencies, and try to ensure uniformity of approach and policy. Simply put, this is what the Treasury attempts to do in financial terms and what the Public Services Department and the Public Services Commission attempt in terms of personnel. However, these units are "basic" rather than "developmental" in orientation, and have been supplemented by others. The development planning function was given to the Economic Planning Unit (EPU) located in the Prime Minister's Department in 1959.[91] In 1966 a Development Administration Unit (DAU)[92] was set up, also in the Prime Minister's Department, and it was responsible for recommending improvements in administration and raising civil service efficiency. The DAU did not continue in the same form, for in 1972 it was merged, along with the Implementation, Coordination and Evaluation Unit (ICEU), into the Implementation, Coordination and Development Administration Unit (ICDAU), responsible for coordinating all departments and agencies and improving administrative methods. The ICDAU was responsible for supervising the implementation of the Second Malaysia Plan.[93] It developed a procedure for checking on implementation. Agencies' performance had been previously examined at "briefings", but in effect these were rather general and unfocussed accounts of what the organization was doing. The ICDAU had each

[89] *Malaysian Government Green Book Plan: Action Guide* (Kuala Lumpur, 1974).

[90] *Straits Times* (Malaysia), 17 August 1975; *New Straits Times,* 7 January 1975.

[91] Milton J. Esman, *Administration and Development in Malaysia* (Ithaca, 1972), pp. 83-6. On economic planning, see: Thong Yaw Hong, "Planning: The Malaysian Experience", and Rozhan bin Haji Kuntom, "Techniques of Implementation—the Malaysian Experience", both in *Report on 1st Seminar on Development, 24 October-3 November 1966, Kuala Lumpur* (Kuala Lumpur, 1967).

[92] Esman, op. cit., especially chs. 5, 6 and 7; pp. 273-4.

[93] *Straits Times* (Malaysia), 1 July 1971.

agency submit a paper three months in advance, saying what it was doing to implement economic policy. The ICDAU wrote comments on the paper, and at a weekly meeting of the National Action Council both were discussed, the Council having the whole morning to investigate specific points rather than having to start from scratch.[94]

Important changes were made, or announced, in 1976. Existing State Planning Units were to be strengthened, and three new regional offices of the EPU were to be set up.[95] The "Development Administration" part of the ICDAU was transferred to INTAN (the National Institute of Public Administration). The intention was that INTAN was to develop its capacity for management auditing and was to provide management consulting services to the public corporations, as part of the Government's programme for closer coordination of the corporations. The remaining functions of the ICDAU were now to be performed by the ICU (Implementation Coordination Unit).[96]

Of all the coordinating mechanisms in Malaysia, the one aimed at promoting rural development has had the greatest amount of publicity. Its essentials consist of: the committee system at different levels—National Development Planning Committee, State Development Committees, District Development Committees, and Village Development Committees;[97] the "Operations Room", which was set up at each level, and was equipped with maps and charts showing the exact location, nature, and stage of progress of each project; the "Red Book" by which small projects originating at district level could be sent up for approval and quick implementation, so that signs of progress would be easily available; briefings at different levels to find out problems and solutions to them; visits of inspection. The late Tun Razak was especially identified with the development machinery,[98] which was adapted from the organization used

[94] Noordin Sopiee, op. cit.

[95] *Third Malaysia Plan 1976-1980* (Kuala Lumpur, 1976), pp. 263-4; *New Straits Times*, 20 July 1976.

[96] Ibid., *Third Malaysia Plan*, op. cit., pp. 264-8.

[97] Development Committees were not set up in the New Villages until 1975 (*New Straits Times*, 1 and 9 March and 29 May 1975).

[98] Mavis C. Puthucheary, "The Operations Room as a Technique in Administrative Reform"; Hahn-Been Lee and Abelardo G. Samonte, eds., *Administrative Reforms in Asia* (Manila, 1970), pp. 165-98; Rozhan bin Haji Kuntom, op. cit.; Ishak bin Tadin, *"The Utilization of Specific Organizations (Official and Non-Official) to Effect a Channel between the Government and the People* (Kuala Lumpur, 1972);

to fight the communists in the 1948-60 Emergency. It was also meant to induce some popular participation, through committee membership, use of the Red Book and so on, though not to the extent of throwing the process open to uncontrolled articulation from the grass-roots.[99] At kampung and district level there could be inputs from the people or their elected representatives, but the deciding voice was the District Officer's; the bodies involved were not popularly-elected local government authorities. The processes used combined administrative efficiency with elements which sought publicity for visible and dramatic results and were intended to assure rural dwellers that the Government cared for their welfare.[100] Administratively, the system, which owed much of its success to Tun Razak's unremitting efforts, failed to evolve, and latterly "froze".[101] Perhaps, in retrospect, the basic organizational features of committees at various levels, which allowed for some participation but nevertheless were geared to work with the bureaucracy, were the important feature. They endured after certain procedures disappeared[102] or became ossified. However, at the start, publicity was useful, not only for the purposes of politicians, but to awaken public awareness about development.[103]

The Rulers and Governors

The Rulers and Governors are the heads of the executive in each state. The Rulers of the nine states of Peninsular Malaysia (excluding the former Straits Settlements of Penang and Malacca) succeed by primogeniture, except in Perak and Negri Sembilan.[104] The Governor

Stephen Chee, op. cit.; Stephen Chee, *Local Institutions and Rural Development in Malaysia* (Ithaca, 1974); Gayl D. Ness, *Bureaucracy and Rural Development in Malaysia* (Berkeley and Los Angeles, 1967).

[99] Puthucheary, op. cit., pp. 192-3.

[100] Ness, op. cit., p. 243.

[101] Esman, op. cit., pp. 105 and 217-26.

[102] E.g. preparation of the Red Book (Puthucheary, op. cit., p. 179; Chee, *Local Institutions and Rural Development in Malaysia,* op. cit., p. 37).

[103] Changes in the Operations Room System were announced in 1976, including new monitoring techniques and more provision for feedback from less-developed states (*New Straits Times,* 4 May and 20 July 1976).

[104] See *Malayan Constitutional Documents,* 2nd ed., Vol. 2 (Kuala Lumpur, 1962); Suffian, op. cit., pp. 29-30. Rulers are known as Sultans except in Perlis (Raja) and Negri Sembilan (Yang Dipertuan Besar).

of Malacca, the Governor of Penang, the Governor of Sarawak and the Yang Dipertua Negara of Sabah (collectively known as "Governors") are appointed by the Yang Dipertuan Agung, the Head of State of the whole Federation of Malaysia, acting in his discretion, but after consultation with the Chief Minister of the state concerned. They need not be Muslims, although so far all of them have been. Their appointment is normally for four years at a time, although a Governor may be reappointed; the nine Rulers hold office for life, unless they become unfit.

The Heads of all thirteen states are obliged to rule "constitutionally". They are bound to act on most matters in accordance with the advice of their Executive Councils, just as the Yang Dipertuan Agung must act on the advice of his Cabinet. However, each of them also has a sphere in which he may act "in his discretion", and this corresponds to the discretionary sphere of the King: the appointment of a Mentri Besar or Chief Minister, and the withholding of consent to a request for the dissolution of the Legislative Assembly. The nine Rulers have a wider field of discretion, arising from the more permanent nature of their tenure and from the fact that each is head of the Muslim religion in his state. Each may also act without ministerial advice on: the making of a request for a meeting of the Conference of Rulers concerned solely with the position of the Rulers or with religious acts, etc.; performing any function as head of the Muslim religion or relating to the custom of the Malays; appointing heirs, a consort, Regent or Council of Regency; appointments to Malay titles and honours, etc.; the regulation of royal courts and palaces.[105]

It is hard to pierce the constitutional shell which surrounds the Rulers and make an accurate evaluation of their social and political role. Clearly they retain influence over many Malays, especially older ones, through tradition and because of their religious authority. The Rulers are Western-educated, and several attended the Malay College at Kuala Kangsar. Many are also "Western", as judged, for example, by their interest in Western sports. The fact that the Rulers continue to confer titles and honours strengthens their positions inside their states. It may be argued that, to many Malays, the Rulers are a necessary part of the social fabric. It is expensive to maintain the Rulers, largely because of the need to keep up a number of residences and to provide for members of the royal family or the royal household, but con-

[105] Constitution, Eighth Schedule.

spicuous consumption on the part of the Rulers may give vicarious pleasure to poorer Malays, who may not in the foreseeable future be able to derive pleasure from their own consumption. Some questions remain unanswered. To what degree do the Rulers command the allegiance of younger, as opposed to older, Malays? What are the attitudes of members of other races towards the Rulers? In their present form do the Rulers help in the process of economic and social development, or do they act as a drag on progress?

On one or two occasions since 1957 the political role of the Rulers has come into prominence. In 1961 several members of the Trengganu State Assembly changed parties, and the PAS Government no longer had a majority. The (PAS) Mentri Besar requested a dissolution, which the Sultan refused. The Mentri Besar then tendered the resignation of his Executive Council to the Sultan, who asked the leader of the Alliance Party in the Assembly to form a government, which he succeeded in doing. The fact that, as a result of the switch between parties, the Alliance was immediately able to form a government strengthens the case for believing that the Sultan acted constitutionally. He claimed that he had no intention of taking sides. "I will not be fair if I do not give a majority group which came into being in the State Legislative Assembly an opportunity to form another government before I take steps to dissolve the Assembly." However, the Sultan also observed, "I took this decision after careful consideration of the past government and also of the restlessness of the people of Trengganu for change and progress."[106]

In Kelantan the Sultan has not had to make any similar public decision affecting political contests between parties. However, he has had considerable influence in representing a stable institution in a politically unstable state. His views have been important in determining appointments in the state civil service and, reportedly, even in the choice of Mentri Besar.

Through presumably deliberate inaction, the Sultan of Perak reputedly played a part in the process of forming a State Government after the 1969 elections. Apparently, at a critical moment, he refused to see Dato Sri S.P. Seenivasagam, who was trying to form a government. Seenivasagam's chances of success were probably not very high, but the Sultan's decision may have avoided bloodshed.[107]

[106] *Straits Times,* 10 November 1961.

[107] *Parliamentary Debates on the Constitution Amendment Bill 1971,* op. cit., p. 143 (Tun Sambanthan).

Since Independence Rulers have also impinged on politics over less important issues. Two significant incidents occurred in May 1963. The Sultan of Perak criticized some representatives in the State Legislative Assembly for not carrying out their responsibilities.[108] A few weeks later the Sultan of Selangor launched a triple attack on the State Government: it had placed unreasonable restrictions on the use of ten acres of land which it had sold to him; it was a "weak" government; the royal town of Klang was filthy.[109] It was possible that these disputes would reach grave proportions. The Tunku told the Rulers that they were "symbols" and must steer clear of politics. "As things stand now the Rulers can be assured of their future forever."[110] He left them to draw the inference. Another Federal Minister said that the Malays would not have had one Ruler left if it had not been for UMNO's victory over the Malayan Union proposals of 1946.[111] However, both disputes were settled peaceably, especially after the Tunku referred them to the Conference of Rulers. Since then there have been no really serious constitutional disputes concerning Rulers. An incident, considered "most unfortunate" by Tun Razak, was that the Sultan of Perak, while cruising in a police patrol craft, had directed the rounding up of illegal offshore mining operators, properly the duty of the Mines Department.[112] The Sultans of Selangor and Perak have continued to be active in ways that have no constitutional implications. To help clean up Klang, the Sultan of Selangor organized a crow-shooting competition in which 2,265 crows were killed.[113] The Sultan of Perak was often in the news, on one occasion for driving the mail train north from Ipoh in military uniform.[114]

Soon after Malaysia was formed there was confusion about the role of the Yang Dipertua Negara (Governor) of Sabah, Tun Mustapha. The main dispute concerned the appointment of a State Secretary, and the Chief Minister, then Dato Donald Stephens, alleged that Tun

[108] *Straits Times,* 13 May 1963.

[109] *Sunday Times,* 26 May 1963.

[110] Ibid., 12 May 1963, also *Sunday Mail,* 12 May 1963.

[111] Encik Mohamed Khir bin Johari, *Sunday Times,* 19 May 1963.

[112] *Straits Times,* 18 January 1969. Later he clashed with the State Government on the conduct of security operations (*New Sunday Times,* 7 and 28 March 1976).

[113] *Straits Times* (Malaysia), 29 May, 12 June and 6 August 1971.

[114] Ibid., 15 September 1972.

Mustapha had unduly delayed his assent, which was contrary to the Sabah Constitution.[115] Tun Mustapha was slow in learning that the role of Head of State was politically neutral.[116] Eventually the point became sufficiently clear for him to resign as Yang Dipertua Negara, and he entered party politics overtly. There was an ironic sequel. Later, Tun Haji Mohammed Fuad Stephens became Yang Dipertua Negara at a time when he was friendly with Tun Mustapha, then the Chief Minister. However, before long he fell out with Mustapha, resigned as Yang Dipertua Negara and became president of the new party, Berjaya. Tun Mustapha's party which currently had a majority in the State Assembly censured Tun Fuad Stephens retrospectively for behaving like a politician when Head of State[117] —precisely what Tun Mustapha had done while holding that office eleven years before.

State Executive Bodies

On most issues the Ruler or Governor of each state is obliged to act on the advice of the State Executive Council. In Sarawak this body is called the Supreme Council or Cabinet; in Sabah it is known as the Cabinet. The chairman of the Executive Council is the Mentri Besar ("Chief Minister" in the states which do not have a Ruler). The Executive Council is responsible to the people, because it must command a majority in the Legislative Assembly of the state. When it loses that majority it must either resign and be replaced by another Executive Council which can obtain a majority (as in Trengganu in 1961), or the Ruler or Governor must dissolve the Assembly and cause fresh elections to be held. In June 1966, the Governor of Sarawak replaced the Chief Minister, Datuk Ningkan, by Datuk Tawi Sli on the ground that Ningkan was no longer supported by the majority of the Alliance councillors who formed the majority in the Council Negri. This action was taken without Ningkan having been actually defeated by a vote of the Council Negri. Ningkan was restored to office by a Court decision, September 1966. But, after a State of Emergency had been declared, a constitutional amendment was passed enabling the Governor to call a meeting of the Council Negri, which he did. The Ningkan Government was defeated there and was dismissed by the

[115] Appointments to State Secretary "shall be made by the Yang di Pertua Negara acting in conference with the advice of the Chief Minister . . ." (Article 11(1)).

[116] Margaret Roff, *The Politics of Belonging* (Kuala Lumpur, 1974), p. 114, fn. 16.

[117] *Far Eastern Economic Review*, 22 August 1975, p. 14.

Governor. Tawi Sli again became Chief Minister (24 September).[118] The vote of no confidence in Dato Harun as Mentri Besar of Selangor, referred to at the start of this chapter, was directed against him alone. Nevertheless, when he resigned he tendered the resignation of the entire Executive Council, and six Executive Council members (all in the previous Council) were sworn in with the new Acting Mentri Besar, Dato Hormat Rafie.[119]

The size of an Executive Council is limited to a Mentri Besar (Chief Minister) and eight others. In both Sarawak and Sabah executive posts have been created within this framework, largely for political reasons. In March 1976 provision was made for up to nine Assistant Ministers in Sarawak. Persuasive arguments were made for the Ministers' need of help so that the rural people could be properly served, and the opposition party, SNAP, was convinced of the necessity for supporting the change. In fact, an important reason for the bill was to create positions for SNAP politicians who were about to join the National Front and the Sarawak Government.[120] In Sabah, after Berjaya was formed, so great was Tun Mustapha's desire to reward his followers in the Assembly and prevent them from defecting, that in August 1975, twenty-seven of the Assemblymen in his party were either Ministers, Assistant Ministers or Political Secretaries.[121]

The main preoccupation of Executive Councils is land, but generally the Councils work through a system of committees which allows councillors to specialize in certain subjects.

The Conference of Rulers

The Conference of Rulers which meets three or four times a year is a modification of the previous "Durbar of Rulers" and of the "Council of Rulers" (1948-57). Unlike them, however, the Conference includes

[118] R.S. Milne and K.J. Ratnam, *Malaysia—New States in a New Nation* (London, 1974), pp. 223-6.

[119] *New Straits Times,* 27 and 30 March 1976; *New Sunday Times,* 28 March 1976. Later Dato Hormat was confirmed in office and the Executive Council was enlarged.

[120] Ibid., 25 March 1976. Cf. Datuk Ningkan's removal of the expatriate State Secretary, State Financial Secretary and Attorney-General in 1965 to create three Cabinet vacancies for bargaining purposes (Milne and Ratnam, op. cit., p. 221).

[121] *New Straits Times,* 14 August 1975 (Editorial). The new Berjaya Government, April 1976, also had nine Ministers, nine Assistant Ministers and nine Political Secretaries (ibid., 21 April 1976). In May 1976 a bill was passed to increase the number of Political Secretaryships to 18 (ibid., 4 May 1976).

not only the hereditary Rulers of the nine states but also the Governors of Penang, Malacca, and (since 1963) Sabah and Sarawak. The Conference acts in some respects as a "third chamber" of Parliament. Its powers under this heading are laid down in the Constitution (Article 38 and Fifth Schedule).[122] In some fields the members of the Conference "may act in their discretion", that is, without following the advice of Ministers. These fields include: legislation affecting the position of the Rulers; agreeing or disagreeing to the extension of any (Muslim) religious acts, observances or ceremonies to the Federation as a whole (except to Sabah and Sarawak); election or removal from office of the Yang Dipertuan Agung or the election of a Deputy;[123] advising on appointments which under the Constitution require the consent of the Conference or consultation with it (for example, the Auditor-General, judges of the Supreme Court, members of the Election Commission and of the Public Services Commission); and legislation altering the boundaries of a state.

On some subjects on which the Conference deliberates, however, the Rulers must take the advice of persons who are responsible to the people through democratic processes. So, when the Conference of Rulers considers "matters of national policy", the King is accompanied by the Prime Minister and the other members by their Mentri Besar or Chief Minister. Such meetings can be useful for briefing Rulers and their Ministers on foreign policy and security matters.

The Constitution specifically provides [38(5)] that the Conference should be consulted before any change in policy is made affecting administrative action under Article 153, which deals with the special position of the Malays.

Many of the meetings of the Conference seem to be of a routine nature. From the reports available, a good deal of attention seems to have been given to religion: conditions for divorce and polygamy for Muslims; proposals to conduct religious classes for adults; the banning of *Kitab,* a religious publication advocating that it was *haram* (forbidden) for a Muslim to support non-Muslim political parties; whether or not money derived from the Social and Welfare Services Lottery could be properly used for religious purposes, such as

[122] The Constitution (Amendment) Act 1971 increased the range of subjects to which these powers applied (Suffian, op. cit., pp. 39-40).

[123] In the exercise of all the powers so far listed in this sentence the Governors are not members of the Conference.

mosques and religious schools. On the last point a Religious Standing Committee of the Conference had previously decided that the lottery was a form of gambling contrary to the teachings of Islam. However, an ingenious "purification ceremony" was devised. Parliament passed an act to allow the net proceeds from the lottery to be transferred to the Government's *general* revenue, so becoming no longer identifiable. The Conference of Rulers immediately decided that, because of this, it need not take a decision on the issue.[124]

The Civil Service

Peninsular Malaysia: Origins and Structure

The pattern of administration in Malaya (Peninsular Malaysia) was complex even before the formation of Malaysia. In it could be seen three successive stages: the traditional, the colonial, and the responsible-democratic. But the later stages had not totally replaced the earlier; they were superimposed. So the traditional structure of Malay government from Ruler down to the Penghulu (headman) remained, although it was fitted into a modern democratic-bureaucratic frame of government. The colonial "layer" was "Malayanized" in the sense that British civil servants were replaced by Malayans. The colonial *structure* remained, and the districts (71) and the District Officers, patterned after the system in British India, persisted. But the civil service became responsible, not to colonial rulers but to a government formed as the result of democratic elections. This has been the general trend, but the precise sequence of events during the extension of British rule was more intricate, because of differences in the rate of British penetration and the existence of various types of indirect rule. Hence the need to make distinctions between the Straits Settlements, the Federated States, and the Unfederated States, although since 1948 there had been a tendency in the former Unfederated States to follow gradually the general pattern obtaining in the former Federated States as regards general orders and schemes of service.

It is impossible, therefore, to give any brief and complete account of the development of administration in Peninsular Malaysia. However, descriptions are available of administration under the traditional type of Malay Ruler in the Unfederated States before they came under effective British control. In Trengganu, before 1909,

[124] *Malay Mail,* 3 May 1962; *Straits Times,* 4 May 1962.

Malay rule was still unaffected by the presence of the British, even in an "indirect" form. Government was almost completely lacking. There were no written laws, no courts and no police, and crime flourished unchecked. The Ruler's powers were largely in the hands of his relatives, and so were his revenues.[125] Less well-known was the style of administration of the Sultan of Johore, who did not appoint a British "General Adviser" until 1910, but who introduced many reforms on his own initiative. When he came to the throne the salaries of government officers were irregularly paid, and their work attendance was equally irregular. The Sultan put an end to this, cut government holidays to a minimum, and prohibited any government employee from receiving presents or other compensation apart from his official pay. This was "modernization", but it was *personalized* modernization, dependent on the Sultan's wishes. Some of the roads he ordered to be built, it was suspected, were those which would open up for himself the most desirable new hunting opportunities.[126]

The civil service evolved from the British colonial civil service. Originally the British bureaucracy in Malaya consisted of the servants of the British East India Company. In 1858 responsibility passed to the British Crown, and in 1867 the Straits Settlements were transferred from the India Office to the Colonial Office. One result was the creation of a distinct Malayan Civil Service (MCS), corresponding to the Indian Civil Service (ICS), from which it sprang. In its responsibility for top policy-making, it also resembled the British institution at one time known as the "Administrative Class". But, unlike the Administrative Class, one important function of both the MCS and the ICS was to provide officers to serve "in the field" as District Officers. Later in the century entry to the MCS, as in Britain and in India, was by competitive examinations. However, in 1932 these were abolished and replaced by qualifying examinations to conform to the system currently used by the Colonial Office for other territories, apart from Malaya and Hong Kong.

[125] Rupert Emerson, *Malaysia: A Study in Direct and Indirect Rule* (New York: Macmillan, 1937), p. 255. Government in Kelantan, as described by Emerson, was equally chaotic. The privilege of minting money belonged to a local company, comprised of the Ruler and his uncles—"the wicked uncles". See also, for a general description of traditional Malay rule: J.M. Gullick, *Indigenous Political Systems of Western Malaya* (London, 1958); Sir Frank Swettenham, *British Malaya* (London, 1948), pp. 141-3 (on Perak).

[126] *Straits Times,* 19 September 1955. See also the *Souvenir* commemorating the Diamond Jubilee of the Sultan, issued by the *Free Press,* September 1955.

The present structure of the civil service dates from after the Second World War. The service is grouped "functionally", each government department employing mostly persons carrying out related functions, although there are also "common-user" services, largely clerical and administrative, of which the MCS was the most obvious example. There is a second type of division, corresponding to the level within the whole service. This took the form of four "divisions", now renamed, based on degrees of education, experience, and responsibility. For instance, selection for first appointment to Division I was normally made from candidates who had acquired the appropriate academic or professional qualifications. The shape of the structure is pyramidal, with smaller numbers in the higher "divisions".

After Independence, "Malayanization" of the public service provided material for controversy. From the political and nationalist points of view it was desirable that Malayanization should take place as quickly as possible after Independence in 1957. But, as in other ex-colonies, political developments resulted in independence coming before sufficient Malayans had been trained to take over all the jobs held by the British "expatriates". A programme was therefore worked out, laying down targets for Malayanization over a period of several years, and determining the compensation to be paid to particular groups of expatriates.[127] The small number of foreigners now employed are all on short-term contracts.

In view of the general importance of communalism in Malaysia, the ethnic composition of the civil service is of interest. There is probably no sector of Malaysian government about which so many misstatements have been made. The most common error is to confuse the former Malaysian Civil Service (MCS), now the Malaysian Administrative and Diplomatic Service (MADS), with the higher ranks of the civil service generally. The MADS is a small administrative elite composed of members of the former MCS and members of the former Foreign Service. Under Article 153 of the Constitution, recruitment is subject to a 4 to 1 quota. It was not surprising, therefore, that in 1968, about 85 per cent of the MADS were Malays.[128] However, the former

[127] See: *Reports* of the Committee on Malayanization of the Public Service (Kuala Lumpur, 1954 and 1956); Robert O. Tilman, "The Nationalization of the Colonial Services in Malaya", *South Atlantic Quarterly*, Vol. LX1, No. 2 (1962), pp. 183-96.

[128] At that time called the MHFS (Malaysian Home and Foreign Service). This is the most recent figure available (David S. Gibbons and Zakaria Haji Ahmad, "Politics

Division I of the public service, now called the Management and Professional Group, had only about 36 per cent Malays in 1968, almost equal to the Chinese percentage (and a smaller relative proportion of the Malay population). Indians were over-represented with more that 20 per cent, about double their percentage in the population.[129] More recent figures, for November 1974, give a breakdown only in terms of Malays and non-Malays, namely 4,190 of the former and 7,450 of the latter in the Management and Professional Group (the former Division I), equivalent to 36 per cent and 64 per cent respectively.[130] The same source gave figures for the former Division II, the Executive and Semi-professional Group, indicating that about 48 per cent of the 29,449 persons in it were Malays. Two generalizations apply. In the services requiring a general educational background, the Malays predominate; in those requiring substantial professional qualifications there is proportionately a preponderance of non-Malays.[131] After 1969, there was a high rate of recruitment of Malays in the lower ranks of the service, which raised their percentage in the federal service as a whole.[132]

Originally the quota for Malays resulted in those appointed to the MCS having lower educational attainments than non-Malays. However, according to Mavis Puthucheary, the quality of Malays has been rising, for two reasons: more of the Malays entering the service have honours degrees as opposed to general degrees; the policy of not promoting Malays into the MCS/MADS unless they had honours degrees was established.[133]

and Selection for the Higher Civil Service in New States: the Malaysian Example", *Journal of Comparative Administration,* Vol. 2, No. 3 (1971), pp. 337-40). The Malay proportion rose steeply after 1957 with the departure of expatriates.

[129] Ibid., pp. 335-7 and pp. 342-3 (the educational service is included, but not the police and the armed forces); Esman, op. cit., pp. 76-7.

[130] *Far Eastern Economic Review,* 31 January 1975, p. 6 (letter from the Director-General, Information Services, Malaysia).

[131] Robert Tilman, *Bureaucratic Transition in Malaya* (Durham, N.C., 1964), p. 70.

[132] Tun Razak said that, from 1969 to 1972, out of 26,266 officers recruited into three civil service groups, 20,878 were Malays and 5,388 were non-Malays. In the Management and Professional group Malays were just over 40 per cent. In the Executive and Semi-professional group they were a little over 60 per cent. In the Clerical Technical group, by subtraction, they were almost 90 per cent. Tun Razak did not accept figures by Dr Tan Chee Khoon giving a higher Malay proportion (*Straits Times* (Malaysia), 26 April 1973). See also ibid., 23 April 1974.

[133] Mavis C. Puthucheary, "Administration, Politics, and Development: A Case Study of West Malaysia" (Ph.D. Thesis, Manchester University, 1973), pp. 118-20.

The control of the public service is shared between the Public Services Department (formerly the Federal Establishments Office) and the Public Services Commission.[134] The former is responsible for schemes and conditions of service, scales of salaries, negotiating with staff unions through the Whitley Council system, controlling the pension system and other duties. The latter is concerned with initial appointments. Formerly, it had powers over promotion and discipline, but in 1966 a constitutional amendment authorized the transfer of these functions to departments.[135]

The MCS/MADS

The members of the MCS/MADS are generalists, like the former British Administrative Class and the Indian Administrative Service. There are various avenues of recruitment. The main one, by possession of an honours degree and selection through interview, is direct from the University. Another has been from the Malay Administrative Service (MAS). A few have also been recruited direct from the state services of the former Unfederated States. The channel of recruitment from the MAS was important before Independence, and after that while the supply of honours degree candidates was still small. The MAS was created in 1910 to open up subordinate administrative positions to Malays.[136] At first, nominees could enter only from the Malay College at Kuala Kangsar, itself originally restricted to entrants of princely blood, but later entry was opened to others. Promotion from MAS to MCS was possible, so with Independence and Malayanization the MAS was the main source for replacing departing MCS expatriates. Consequently, many of the senior positions in the MADS now are held by former MAS members who do not have university degrees. On the other hand, the great majority of the recently-filled posts are direct entrants with honours degrees. The usefulness of the MAS as a source of MCS recruitment

[134] For the origins of these two bodies and for the relations between them, see Robert O. Tilman, "The Public Services of the Federation of Malaya" (Ph.D. Thesis, Duke University, 1961). See also the *Annual Reports* of the Public Services Commission. There are three other commissions with functions similar to the Public Services Commission but in different spheres: police; railways; judicial and legal service.

[135] According to Esman it was rigidly pro-seniority and, in disciplinary matters, pro-employee (op. cit., p. 87).

[136] However, before its creation there were a very few Malays in the MCS (William R. Roff, *The Origins of Malay Nationalism* (New Haven, 1967), p. 98).

was gradually disappearing, and in 1974 it was announced that the MAS would be abolished. It was to be merged with other services, such as state administrative services, Immigration, and Road Transport, to form the General Administrative Service.[137] Members of this new service could still be chosen for posts in the MADS. But the amalgamation of the MAS symbolized that it had ended its function as the important source of recruitment for the higher service that it had once been.

The MCS has been criticized for being an "elite". This may amount only to a recognition that its members fill most of the important positions influential in government decision-making. However, criticism might also be directed at its restricted social origins or to its alleged "superior" behaviour towards other civil servants or the public.

Recruitment for the MADS is indeed restricted, both by the 4 to 1 Malay quota for recruitment and also by the existing requirement of an honours degree for appointment. However, this second restriction now relates mainly to achievement and is not based on social origin. In 1938, it was calculated that 21 out of 24 Malays in the MCS were of royal or chiefly lineage.[138] But the recent Puthucheary sample indicated that about a third were from peasant backgrounds, and about a fifth were the sons of Malay-medium schoolteachers.[139] This recruitment of an elite, substantially from non-elite social origins, was made possible by a system of scholarships and loans which enabled the children of poor Malays to attend a university. Consequently the Malay recruits into the MCS/MADS were of lower social origins than their non-Malay MCS recruits. Also, they had often entered a social class higher than that of their parents.

Antagonism between generalists, particularly the MCS/MADS, and specialists, common in many civil services, has also been evident in Malaysia. Disputes about dissimilar pay scales for generalists and specialists in similar jobs were met in 1954.[140] Other arguments were about which group should occupy high posts, for example the post of Permanent Secretary to the Ministry of Health or Controller of

[137] *Straits Times* (Malaysia), 1 April 1974, quoting the Director-General of the Public Services Department.

[138] Puthucheary, "Administration, Politics, and Development", op. cit., p. 56. fn. 12.

[139] Ibid., pp. 133-48.

[140] Tilman, "The Public Services of the Federation of Malaya", op. cit., pp. 124-6.

Immigration.[141] As regards promotion, professional and technical personnel have complained that the opportunities of high posts available are much less for them than for generalists because of the rapid expansion of superscale posts in the MCS, 1962-72.[142] However, in 1971 the Prime Minister announced that, on the recommendation of a 1969 Royal Commission headed by Tan Sri Mohamed Suffian, superscale posts in the professional and technical departments would be increased.[143] Other areas of antagonism do not result from disparity in economic rewards or opportunities, but reflect resentment by professionals against what they regard as generalist "interference", for example re-scrutinizing applications for temporary posts for doctors on the ground that instructions had not been followed.[144]

The image of the MCS as acting in a superior way towards members of the public may simply reflect the powerful role of government in a society which retains many traditional values. Paternalistic attitudes may come naturally, and may not be at all inappropriate in the field, on the part of, say, District Officers. In urban areas what appears to be aloofness may actually be reserve, designed to prevent suspicion that the MADS might be easily influenced by unstructured contacts and therefore susceptible to corruption.

Attitudes and Views of Civil Servants: Procedures and Delays

The attitudes and views of civil servants, mostly those at higher levels and principally in the MCS/MADS, have been perceptively studied by Scott, Esman and Puthucheary.[145] The main problem is that, although many of the attitudes and views are not irrational, neither are they peculiarly Malay, or Malaysian. "I am impressed by Scott's proposition that many of these beliefs are based on rational ex-

[141] *Straits Times*, 20 July 1963, and *Sunday Mail*, 20 December 1964.

[142] Puthucheary, "Administration, Politics, and Development", op. cit., p. 196. She also points to the opportunities outside the service open to MCS members on secondment or on officially-approved early retirement.

[143] *Straits Times* (Malaysia), 1 July 1971.

[144] Puthucheary,"Administration, Politics, and Development", op. cit., p. 214.

[145] James C. Scott, *Political Ideology in Malaysia: Reality and Beliefs of an Elite* (New Haven, 1968); Esman, op. cit.; Puthucheary, "Administration, Politics, and Development", op. cit. The Scott book is entirely devoted to this topic. In the other two it is a main theme.

pectations about the reality of a society that has known poverty, uncertainty, dependency, and ethnic tensions for long periods of time. They are not aberrations arising from identity crises or other personality strains associated with rapid change, but are reality-serving orientations, even though some are becoming outmoded as the real environment changes.''[146] On the other hand there is the tendency, as Esman observes, to identify any set of attitudes or behaviour patterns that seem to depart from idealized British norms as peculiarly and uniquely Malay. Many of the traits of high-ranking Malaysian civil servants are common in Southeast Asia and in developing countries, generally:[147] for instance reluctance to delegate (with the corresponding habit of ''minuting'' and passing files upwards),[148] passive obedience to superiors, tolerance towards those who do not meet achievement norms.[149] Some of the findings are more surprising, possibly because they are indeed more prevalent in Malaysia than elsewhere, perhaps because they are quite widespread in several countries, but have not yet been sufficiently emphasized. One, examined by Scott, is the notion of ''constant pie'', not a new discovery[150] but ingeniously linked by him with social distrust and lack of felt control over the future into a syndrome of mutually reinforcing attitudes.[151] Puthucheary, using a larger sample than Scott, saw some possible implications arising from the Second Malaysia Plan. The Plan was based on the assumption of expansion, but non-Malays in the civil service who are constant-pie-oriented may regard the Plan, and the New Economic Policy, as a threat to themselves and non-Malays generally.[152] Two other findings of interest are that civil servants' responses to change are not fatalistic, and that the response to a situation perceived as ''constant pie'' is to cling

[146] Esman, op. cit., p. 112.

[147] As described by, for example, Fred W. Riggs, *Administration in Developing Countries* (Boston, 1964).

[148] Puthucheary, ''Administration, Politics, and Development'', op. cit., pp. 214-20; Esman, op. cit., p. 112.

[149] Ibid., pp. 122 and 119-20.

[150] Cf. George M. Foster, ''Peasant Society and the Image of Limited Good'', *American Anthropologist,* Vol. 67, No. 2 (1965).

[151] Op. cit., ch. 6.

[152] Puthucheary, ''Administration, Politics, and Development'', op. cit., pp. 169 and 176-8.

to one's own piece but not to try and stake out a claim to another piece.[153]

The combination of such attitudes and the procedures inherited from the colonial administration produced a civil service which was relatively efficient, but oriented towards routine rather than change. Planning and implementation were inhibited by "dilatory procedures".[154] Horror stories about bureaucratic delays are quoted in Malaysia, as in other countries. Soon after independence some newly-graduated officers in the Ministry of Commerce and Industry put away files for as long as six months because they did not know what to do with them and lacked the initiative to refer them to their superior officers.[155] Other examples, especially on land delays, are available.[156] Tun Razak spent much time denouncing delays and stressing the importance of an "action-oriented" approach instead of a "procedural-oriented" one.[157] Once, as an example, he cited a case of leaks in water supply mains, where the official response was merely to minute another department for action. This procedure meant that five or six months would pass before the problem was attended to, while if the officers had gone to the spot, it could probably have been solved in a couple of hours.[158] Tun Razak codified the "Seven Sins"[159] of Bureaucracy which he denounced on numerous occasions.

[153] Most officials "inherit a system and operate passively on a care and maintenance basis" (Datuk Hussein Onn, *New Straits Times,* 18 February 1975). The reluctance of civil servants to try to open up new fields for their organizations' activities is in contrast to the expansionist behaviour postulated by Anthony Downs (*Inside Bureaucracy* (Boston, 1967)).

[154] Tan Sri Abdul Jamil bin Abdul Rais (Permanent Secretary, Prime Minister's Department), "The Role of the Civil Service in Development", *Report of 1st Seminar on Development, 24 October-3 November 1966* (Kuala Lumpur, 1966), p. 58. Another, carefully-worded, reference was to "a well-accepted series of procedures which, although somewhat outmoded, do produce results" (John D. Montgomery and Milton J. Esman, *Development Administration in Malaysia, Report to the Government of Malaysia* (Kuala Lumpur, 1966), p. 2).

[155] *Straits Times,* 17 April 1959, quoting Tun Tan Siew Sin.

[156] See pp. 104-5. In 1976 Dr Goh Cheng Taik, a Deputy Minister, said that a land application had to go through 47 steps (*New Straits Times,* 17 June 1976).

[157] E.g. at a Conference of Directors of Lands (*New Straits Times,* 15 November 1974).

[158] *New Straits Times,* 17 February 1975.

[159] They included inter-departmental jealousy, lack of coordination between departments, and lack of complete day-to-day cooperation between officers on the ground, quoted in Ishak bin Tadin, "The Utilization of Specific Organizations (Official and Non-Official) to Effect a Channel between the Government and the

Administrative Reform

For eight years after Independence there were no great changes in the administrative system. But in October 1965 Professors Montgomery and Esman visited Malaysia and submitted a report[160] which made far-reaching proposals. Some of these were mainly structural: on the budget system, expenditure control system, purchasing and inventory control, personnel, and career development systems. The most important concerned the setting up of a Development Administration Unit (DAU), changes in the MCS, and proposals for improving training, hitherto rather neglected. The DAU was to concentrate on the "infrastructure" of government administration, especially the areas just mentioned, the budget system, etc. The DAU was to be set up in the Prime Minister's Department, would be independent of operating responsibilities, and would be "<u>. . . a center in which new ideas, new practices, and new attitudes associated with modern administration can be developed, tested, installed, and diffused throughout the government.</u>"[161] Specialization in the MCS was to be encouraged. Three fields were selected for specialization: economics, state and district government, administrative management. A career pattern should be open in at least these three fields; by specializing, members of the MCS would not lose the chance of promotion to the highest posts. To increase the substantive knowledge of MCS members, tours of duty in ministries were to be longer.[162] Other recommendations concerned training. The most novel course proposed was a post-graduate one for newly-inducted MCS personnel, consisting of a year's course in development administration, given in the University of Malaya, initially with the help of foreign (US) specialists.[163]

A large part of the recommendations was implemented. Esman tells the story of the impact of the DAU on the administrative system, and the reverse. He mentions, in particular, successes in the field of programme budgeting[164] and in the acceptance of training courses.

People", *Report on the 2nd Seminar on Development, 22 June-30 June 1967* (Kuala Lumpur, 1967).

[160] Montgomery and Esman, op. cit.

[161] Ibid., para. 15 (underlined in the original).

[162] Montgomery and Esman, op. cit., paras. 40-6.

[163] Ibid., paras. 47-9.

[164] Doh Joon Chien, "An Interim Evaluation of Programme and Performance Budgeting in Malaysia", *Tadbiran Awam (Public Administration),* Vol. 3, No. 1 (1972).

The DAU met with jurisdictional disputes, as might have been foretold about a newly-injected organization. Esman concluded that there were two critical defects in the original design. The status of its leadership was lower than had been envisaged, its position in the administrative hierarchy being too modest to cope with resistances. It was also unable to induce senior officials to undertake reforms by persuasion and demonstration, yet it lacked enforcement powers of its own or the control of an important resource which could help overcome resistance.[165] The DAU lasted only a few years in its original form, but its functions were largely incorporated in the Implementation Coordination and Development Unit (ICDAU).[166]

The proposals for specialization inside the MCS were also carried out. The main variation was that in 1966, the same year as the Montgomery-Esman Report, the Foreign Service (External Affairs Service) was merged with it and later called the Malaysian Administrative and Diplomatic Service (MADS). The training proposals, including those for the one-year post-graduate course for MCS entrants, were also implemented.[167] The DAU was most active on the training side and, together with the Government Staff Training Centre,[168] published a report, *Training for Development in West Malaysia in 1968.*[169]

Corruption: Salaries

Malaysia has always enjoyed the reputation of having a relatively incorrupt civil service, although corruption among politicians has unfortunately been more serious.[170] An official enquiry just before Independence found some evidence of corruption, but not of heavy corruption.[171] In the mid-1960s an American observer was astonished

[165] Esman, op. cit., chs. 5, 6 and 7, especially pp. 236-45.

[166] See pp. 255-6.

[167] Abdullah bin Abdul Rahman, "Training for Development in Malaysia—DPA and MATP", *Tadbiran Awam,* Vol. 2, No. 1 (1971).

[168] Later called the National Institute for Public Administration (INTAN). See also p. 256.

[169] Chapter IV is reproduced in Esman, op. cit., as an Appendix.

[170] Von Vorys, op. cit., pp. 183 ff, 391-4; pp. 205-7 (on Dato Harun Idris).

[171] *Report of a Commission to enquire into matters affecting the Integrity of the Public Services* (Kuala Lumpur, 1955).

that the level of official morality was so high that a shortage of equipment from a police depot, worth about US$270,000, was followed by a full-scale investigation.[172] The relative absence of corruption could perhaps be attributed partly to the comparatively good civil service pay, made possible by the relatively high national income per head. The salaries of top civil servants are particularly high, because they were based on those of the British they replaced.

In 1975 there was a drive against corruption by the National Bureau of Investigation (NBI), formerly the Anti-Corruption Agency. Increased urbanization and economic activity seemed to have led to an increase in corruption and to the use of more sophisticated methods. The number of cases investigated by the NBI in 1975, up to 30 November, was 463; of the people arrested and prosecuted 179 were government officers and 228 were members of the public.[173] Significantly, in the drive against corruption delays in government procedures were looked at. On-the-spot checks were made in government departments, such as the Federal Land Territory Office, Immigration Headquarters, and the Registration Department Headquarters, all in Kuala Lumpur or its suburbs. The results of the searches were analyzed "to find out whether there is any unjustified delay or organized rackets that enable corruption to be practised".[174]

Relatively high salaries in the civil service may offer some protection against corruption. Their level is also important in determining whether posts in the public service can be filled, given the competition from private business. There is an overall shortage of managerial and professional talent. Opportunities for the MADS by promotion inside the public service are good, so vacancies are few. Differences in salary have the effect mainly of inducing early retirement before going into business or movement to a government corporation. However, it was said that as many as a third of the professional civil service posts were unfilled in 1975. A government engineer was said to earn $850 a month after two years' service while his counterpart in the private sector might be offered as much as $1,500.[175] The public service has to face competition not only from

[172] W.A. Hanna, *Sequel to Colonialism* (New York, 1965), p. 270.

[173] *New Straits Times,* 20 January 1976, quoting the Attorney-General and Minister of Law.

[174] *New Sunday Times,* 5 October 1975, quoting the NBI Director-General.

[175] *The Malay Mail,* 4 July 1975.

private business but also from the public corporations. Existing differences in pay will apparently continue. The Harun Commission Report in recommending scales for statutory bodies proposed salaries that were generally higher than those in the earlier Suffian Report for the civil service.[176]

Civil Servants and Politicians[177]

The "Western" view of democracy is that the politicians who constitute the Government have been chosen by the people, and that civil servants, who have not been so chosen, are in a clearly subordinate position. However, in some developing countries which claim to be democratic this relationship may not correspond to the facts. It may not always be obvious who is a politician and who is a civil servant (or a military person), and, even if it is discernible, it may not always be the politician who is in control.[178] In Malaysia it is true that at present many of the top civil servants are members of the same group as some political leaders, English-educated Malays with ties of kinship or friendship dating from early schooldays.[179] But this need not indicate the absence of a "Western-type" relationship between the two groups. The ruling party, in power federally since 1957, is relatively strong, and from time to time proposals that the party should take a larger and more direct share in running the Government, however administratively confusing the results might be, indicate vigilance inside the party about possible bureaucratic encroachments. On the other hand, although the bureaucracy in Malaysia is not "weak", it is not as monolithic as it might appear. There was no tradition of a centralized bureaucracy before the British came; after they came, and even after they left, it was still structurally divided and fragmented. In colonial days the MCS lacked the prestige or reputation of the Indian Civil Service. Even now, there are further sources of division by age, ethnic origin and function (generalist or specialist). It would therefore be a little misleading to categorize Malaysia as an "administrative state";[180] the government party is too strong and the bureaucracy is

[176] *New Straits Times,* 5 November 1974.

[177] See *Politicians and Administrators in National Development* (Kuala Lumpur, 1972).

[178] Fred W. Riggs, *Thailand—the Modernization of a Bureaucratic Polity* (Honolulu, 1966).

[179] Puthucheary, "Administration, Politics, and Development", op. cit., p. 77.

[180] Esman, op. cit., p. 62.

too weak. The fact that early Cabinet members were substantially drawn from the bureaucracy (50 per cent in 1964)[181] was due to the social and economic position of the Malays when UMNO was formed. At that time better-educated Malays were found predominantly in the bureaucracy, and without drawing on it UMNO would have had difficulty in recruiting able top leaders. The proportion of new Cabinet members who come from the public service is decreasing. Some distinguished public servants have been recruited since 1969, such as Tan Sri Ghazali Shafie and Tan Sri Chong Hon Nyan. But although the present Prime Minister, Datuk Hussein Onn, and Deputy Prime Minister, Dr Mahathir, have both been in the civil service, this was some time before they joined the Cabinet and is not a prominent feature in their political image. Moreover, the fact that a Minister has been a civil servant does not mean that he continues to act the same role after becoming a Minister. He now has to attend party meetings where he is exposed to the party point of view, address the public and receive feedback, contest elections, take part in parliamentary debate. Previous inside knowledge of the public service may make a Minister tougher in dealing with it. Tun Razak, for instance, used to pride himself on knowing what he called the "tricks of the trade".

At a local level, the problem is usually not how to prevent the bureaucrat from dominating the politician, but rather how to prevent the politician from abusing his position by intervening in the bureaucrat's implementation of government policies.[182] It seems the situation was particularly bad in Kelantan under the Alliance Government, 1957-59,[183] and in the initial stages of PAS rule after 1959. Civil servants were subject to intervention, not only from elected party people but also by their underlings. Such encounters call for all the tact (and connections with politicians) which a civil servant can command.

The balanced view is that, although civil servants must remain neutral by not involving themselves in the activities of political parties, they must at the same time have "political sensitivity". "They must be more sensitive to the environment and political development of this

[181] Robert O. Tilman, "Policy Formulation, Policy Execution and the Political Elite Structure of Contemporary Malaysia", *Malaysia, A Survey,* Wang Gungwu, ed. (New York, 1964), p. 350.

[182] Puthucheary, "Administration, Politics, and Development", op. cit., pp. 85-7; Milne and Ratnam, op. cit., pp. 293-6 (on Sabah and Sarawak).

[183] *Sunday Mail,* 17 April 1960 (Abdullah Majid, "PMIP Threat to Racial Harmony").

country."[184] In one respect the civil servant is less exposed to tensions and strains and possibilities of changes in government than his counterpart in some neighbouring countries. The Alliance (National Front) has been in power federally since Independence and has never even looked like losing an election.[185]

The Civil Service in the States of Malaya

All the eleven states of the former Federation of Malaya have their own state clerical services. This means that there is a large number of different schemes of service for clerical personnel all over the area. But only the five former Unfederated States and Penang and Malacca have state civil services which fill posts above clerical level. A proposal to integrate these separate services, launched soon after Independence, failed, partly because Johore and Kedah feared that if it came into effect they might lose some of their best men.[186] Provisions exist by which members of the public service of the Federation may serve in the states,[187] and these have been used to fill some key positions with MADS officers—for example, as State Secretary, Commissioner of Lands and Mines, or District Officer.

The Civil Service in Sarawak and Sabah[188]

Sarawak and North Borneo (Sabah) each had a civil service, both before and after becoming British Crown colonies in 1946. The main difference in pre-1946 administration was that civil rule in Sarawak was much more personal.[189] In both states the high civil service

[184] *Straits Times* (Malaysia), 6 August 1974, quoting Datuk Hussein Onn.

[185] Even at state level, there have been only four changes of government (in the sense of a shift of control from one party to another) in Peninsular Malaysia: two in Trengganu, one in Kelantan and one in Penang. It is harder to define what "changes of government" occurred in the Borneo states. In Sarawak "some change" occurred in 1966 and 1970, and in Sabah in 1964-65, 1967 and 1976.

After taking office as Chief Minister of Sabah in April 1976 Tun Fuad Stephens claimed that the civil service was dominated by politics and that the regulations of the Public Services Commission on appointments and promotions needed to be re-examined (*New Straits Times,* 16 and 20 April 1976).

[186] *Malay Mail,* 31 October 1958; *Straits Times,* 5 January 1959.

[187] R.O. Tilman, *Bureaucratic Transition in Malaya* (Durham, N.C., 1964), pp. 82-3, 102-4; Constitution, Article 134. Secondment can be from state to federation or state to state, as well as from federation to state.

[188] See: Milne and Ratnam, op. cit., pp. 31-9; Leigh, op. cit., pp. 102-9.

[189] Steven Runciman, *The White Rajahs* (Cambridge, England, 1960), pp. 204-5.

positions were held by the British, and some other Europeans. When the states joined Malaysia little had been done to produce local trained civil servants, although a committee had considered the subject in Sarawak in 1959. The basic problem was that the slow pace towards self-government had been matched by a slow advance in education. There were insufficient local people with the necessary general education to qualify for the higher levels of administration or the necessary specialist training for top technical posts. Enrolment in the secondary schools was mainly Chinese, and so was the supply of university graduates. In 1960 North Borneo had 119 local people who had completed university or technical college education, of whom 115 were Chinese; Sarawak had 214, of whom 205 were Chinese.[190] Given these figures, the provisions in the two state constitutions to safeguard the position of the natives by ensuring public service jobs for them[191] could not apply *soon* to higher posts.

In both states the number of natives sent abroad for higher education was rapidly expanded. But this did not solve the immediate problem. There was pressure from the Federal Government to hasten the departure of expatriates, and the issue became entangled with other disputes, such as the language question and state autonomy. The situation was most serious in Sarawak where the Federal Government resented the reliance of Datuk Ningkan, the Chief Minister, on the advice of expatriate officers. After the change in Chief Minister, in Sabah in 1964-65, and in Sarawak in 1966, the issue became less prominent. However, it revived briefly in Sabah when Singapore left Malaysia and UPKO had thoughts about renegotiating the terms on which Sabah would stay in Malaysia.[192] The issue aroused deep feelings, but there was no simple answer. If expatriates left quickly, before educated natives were available, their places could be filled only by natives who were not yet fully-qualified, by Chinese, or by ending the long-term contracts of expatriates but appointing them on

[190] *Report of the Commission of Enquiry, North Borneo and Sarawak* (Kuala Lumpur, 1962), p. 104, Table 6.

[191] By Article 39 of the Sarawak Constitution and Article 41 of the Sabah Constitution. No numerical quotas were specified. The special position of natives of the Borneo states was also protected by Article 161A of the Federal Constitution. By the Constitution (Amendment) Act of 1971, a portion of the Article was deleted, and Article 153 was amended so as to apply to the natives of the Borneo states as well as to the Malays of Peninsular Malaysia.

[192] *Straits Times*, 15 September and 11 December 1965.

temporary contract. Ethnic considerations dictated caution on the second possibility except for some professional or technical posts, and most of the vacancies were filled by one of the other two methods.

The problem was even more complex than this. The considerations just mentioned applied to the state civil services. Additionally, after Malaysia, when the Federal Government assumed some functions previously undertaken by the State Governments of the two territories, some state government departments became federal, and the civil servants in these departments became federal too. Instead of coming under the state Public Services Commission, they came under the federal Public Services Commission. It was provided, however, that, in both states, the federal officers serving in the territory would be dealt with by a branch of the Public Services Commission set up in the territory, which would include, *ex officio,* the members of the *state* Public Services Commission.[193] The civil servants who had become federal were also made subject to the Federal Establishments Office. The constitutional position was logically worked out. But these changes also meant that competition for posts in the two states which were classified as federal would come not only from better-qualified Chinese or tenacious expatriates, but also from officials appointed from Peninsular Malaysia. The Inter-Governmental Committee Report promised only that "Borneanization would be a first priority: it could not be guaranteed that a Malayan would not be appointed to fill any particular vacancy."[194] In both states there was opposition to such appointments, for economic reasons on the part of those immediately affected, and also because, after the benefits promised from joining Malaysia, the appointments seemed to be a graphic example of *curtailed,* not expanded, opportunities. Consequently, the adverse reactions, especially from parties supported mainly by non-Muslim natives, were extreme, considering the small numbers involved.[195] The issue aroused great excitement, just as the expatriate issue had done in Muslim native parties. The single post which provoked most antagonism was that of Federal Secretary in each territory. This was one of several new posts created after Malaysia not involving the transfer of a post from state to federal

[193] Constitution, Article 146B; Suffian, op. cit., pp. 115-16.

[194] *Malaysia Report of the Inter-Governmental Committee* (Kuala Lumpur, 1963), Annex. B.

[195] Milne and Ratnam, op. cit., p. 37.

responsibility. Nevertheless, in varying degrees the Federal Secretaries aroused reactions against a non-local presence.[196]

In late 1975 discussions were held on the unification of the Sarawak and Sabah state civil and police services with the federal service. The proposal was favoured not only for efficiency reasons but also as promoting national unity and eradicating "regional thinking".[197]

Government in the Field

The system of districts (seventy-one in Peninsular Malaysia) and District Officers, introduced by the British from India, still remains.[198] In the past, although he had numerous duties, much of the DO's time was spent on land administration. He still has the powers and duties of a magistrate, although he seldom acts in this capacity. Under the DO are Assistant District Officers, each of whom is in charge of a subdistrict, and, as well as assisting the DO generally, also has specific responsibility for supervising a land office. The DO's job is not easy. Even in the 1920s he had difficulty in coordinating the work of the various technical departments in his district.[199] Since then there has been even more technical specialization, and he is responsible to a wider range of officials at state level for a wider range of activities. Also, as a result of the great expansion of government activities since World War Two, DOs have been rotated quickly, and some have barely had time to master their duties. After Independence a political element was injected into the DO's role: decisions made on purely administrative grounds could now be the subject of representations or intervention from elected state assemblymen or MPs. However, while the former role of the DO was subject to attack as "colonial" and "non-democratic", he has since acquired an additional aspect. In the drive for rural development, he is a key figure as the chairman of the District Development Committee.[200]

[196] Ibid., pp. 37-8.

[197] *New Straits Times,* 3 December 1975.

[198] In Sarawak and Sabah, unlike Peninsular Malaysia, there is an intermediate level between state and district, namely seven "divisions" in Sarawak and five "residencies" in Sabah. Each of these is headed by a Resident.

[199] Rupert Emerson, op. cit., pp. 158-9.

[200] Not much has been written on the DO's current role. For a case study of a DO's initiative, see Zainol bin Mahmood, "Implementation of a Rural Development Programme at the District Level", *Development Forum,* Vol. 1, No. 3 (1968). On

Two other roles, those of Penghulu and Ketua Kampung,[201] have undergone change, first under British rule, and then through democratic government and the emphasis on rural development. The Penghulu, in charge of one of 1,100 mukims in Peninsular Malaysia, was originally appointed by the Ruler. Now he is a member of the state civil service, in some cases appointed, in others elected but with qualifications which meet certain standards. His importance has dwindled since the British era, and he is no longer "the focal point of communication between the masses and the feudal lords".[202] His functions are many, including registration of births and deaths, spreading government messages to the people (for example in the mid-1960s on the dangers of Confrontation), investigating the background of land applicants, advising the DO on social problems: "We are responsible for the overall development of the mukim and to report the progress to the District Officer."[203] Nevertheless, the same Penghulu who said this denied that Penghulus were mere "clerks", which may indicate concern that their duties were actually becoming less responsible and more routine. Like the DO, the Penghulu has been affected by development programmes and by politics and elections. He is consulted by the DO and by other civil servants on development projects, and he is a member of the District Action Committee, which has some development functions. Increasingly the Penghulu has been drawn into party politics, usually on the side of the

his functions in Sarawak and Sabah see Milne and Ratnam, op. cit., ch. 6. The "Nahappan Report" (referred to later) recommended abolition of the DO but the Government rejected this (*Straits Times* (Malaysia), 28 March 1974).

[201] The literature on Penghulus and Ketua Kampung quite often concerns one state, or part of a state, so it is difficult to generalize. See: Abdullah Sanusi Ahmad, "Leadership and Leadership Training at the Ground Level—a Study of the Role of the Village Leader (Ketua Kampong)", *Development Forum,* Vol. 2, No. 2 (1969); Afifudin Haji Omar, "Role Conflicts of the 'Penghulu' within a Rural Society in Transition—with Particular Reference to Kedah", ibid., Vol. 4, No. 1 (1973); S. Ahmad Hussein, "Kampong Elites and Rural Development: Case Studies of Selected Villages in Penang and Kedah" (M.S.S. Thesis, Universiti Sains Malaysia, 1974); Stephen Chee, *Rural Development and Development Administration in Malaysia* (New York, 1974); Stephen Chee, *Government Policy and Rural Development in Malaysia,* op. cit.; S. Husin Ali, *Malay Peasant Society and Leadership* (Kuala Lumpur, 1975); Marvin L. Rogers, *Sungei Raya: a Sociopolitical Study of a Rural Malay Community* (Berkeley, 1977), pp. 29-37; Milne and Ratnam, op. cit., ch. 6; *Straits Times* (Malaysia), 30 November 1973 (on Penghulus in Sarawak).

[202] Afifudin Haji Omar, op. cit., p. 19.

[203] A. Ghani Ismail, "Times Have Changed for the Penghulus", *New Sunday Times,* 3 November 1974.

ruling party, and has "brokerage" functions between the state assemblyman and the people of the mukim. In a competitive party situation his power can be exerted via his control of administrative regulations. In Kelantan the Penggawa (equivalent of Penghulu) could use this against a political opponent. If, as an UMNO supporter, you wanted to slaughter a cow or move it to another village for sale, ". . . you go to the Penggawa for your permit. If he is a PAS man, you simply cannot get your permit, or if he is giving it to you he is not going to hurry about it. He makes sure that your life is miserable until you relent."[204]

The Ketua Kampung has a less structured role than the Penghulu. The duties are less definite and consist, in general terms, in acting as spokesman for the kampung or group of kampungs. Technically, the Ketua Kampung is not a government servant, receiving no salary but only a small "bicycle allowance". The post is desirable, in spite of the lack of a salary, because of its prestige. However, this is diminishing. At one time Ketua Kampung were hereditary, and were outstanding men in the village, through comparative wealth or literacy; for example, before World War Two, by using their authority, they could mobilize villagers to dig drains. This is no longer the case. Usually Ketua Kampung are appointed by the DO, but the recent trend has been for the appointment to be recommended, or approved by a political figure, usually the Mentri Besar. This accompanied the creation of a Village Development Committee, of which the Ketua Kampung is chairman. Consequently, the importance of the Ketua to the village is no longer so much as a social leader, but as a means of obtaining government assistance, whether through the committee or otherwise. For these new development and political functions he is an intermediary who can be bypassed, for instance by a villager making a direct request to a State Assemblyman. His overall importance has consequently declined.

Local Government in Peninsular Malaysia

Great changes have recently taken place in local government in Peninsular Malaysia: the suspension of elections to local bodies; the takeover of some authorities by State Governments; the method of appointment of new members of local authorities by an act of 1973; and subsequently a restructuring intended to produce a drastic reduction in the number of authorities.

[204] *Straits Times* (Malaysia), 20 August 1974, quoting Tengku Razaleigh.

Before these changes the system was complex, but some generalizations could be made.[205] Local government covered most of the people in Peninsular Malaysia, but not most of the area. Thinly-settled parts of the country did not have local authorities and were run by the district administration. The system had been imposed from above by the British, without any spontaneous local origins; neither did it correspond to any experience of the immigrant races. The work of the smaller authorities with fewer powers was entwined with that of district administration, and the District Officer was usually their chairman.

Apart from Penang and Malacca, which each had a Municipality and several Rural Boards, the typical pre-1945 authority was the Town Board. This was basically an organ of the State Government, created to deal with local affairs. Normally the DO was chairman, and some government officers, for example engineers, might have a dual capacity as members and as technical officers of the Board. Developments after that were linked to elections (by the Local Authorities Election Ordinance of 1950) and financial autonomy (for many authorities by the Town Board (Amendment) Ordinance of 1954), which gave these authorities separate funds, instead of having their revenue and expenditure appearing only as items in the state budget. Authorities were therefore differentiated according to the degree to which their members were elected, and whether they were financially autonomous or not. Size of population served and range of functions also differed widely. Some bodies had very simple functions, mainly in the field of public health and communications. At the other extreme the City Council of George Town, Penang, was responsible for the welfare of over a quarter of a million people and had ten standing committees, some dealing with more than one function.

The result was that in the late 1960s the following types of authority existed: the Federal Capital, Kuala Lumpur; 3 Municipalities; 37 Town Councils; 37 Town Boards; 7 District Councils.[206] There were also 289 "Local Councils", which existed in about 60 per cent of the

[205] On historical development see: Harold Bedale, *Establishment, Organization, and Supervision of Local Authorities in the Federation of Malaya* (Kuala Lumpur, 1953); William Cecil Taylor, *Local Government in Malaya* (Alor Star, 1949).

[206] Federation of Malaysia, *Report of the Royal Commission to Investigate the Workings of Local Authorities in West Malaysia* (Kuala Lumpur, 1970): referred to as the "Nahappan Report".

New Villages which had been set up to resettle persons removed from their homes during the Emergency. These councils were fully elected with an elected chairman, and financial autonomy, although they were dependent on the DO and other officers for advice and assistance. Their functions related to public health and the development of communications and water supply. The New Villages which did not have elected councils had informal committees which advised the DO.

Except for the Federal Capital, the other authorities were legally subordinate to a state. The non-financially autonomous authorities and the Local Councils also received annual general grants from the states. Federal coordination, to the extent that it existed, was through the federal Department of Local Government and the National Council for Local Government.[207] Created by a 1960 Amendment to the Constitution (Article 95A), the latter's purpose is to formulate a national policy for the promotion, development and control of local government and for the administration of any relevant laws. Any projected legislation on local government can be examined with a view to securing uniformity. Both Federal and State Governments (but not those of the Borneo states) are bound to implement any policy it decides on. Actually, the National Council, after some initial activity concerning the terms of local government services, has not played a very important role.

Party politics was a feature of local government, especially the larger and wholly-elected authorities. There were benefits for local politicians; the party machinery was kept from getting rusty between national (and state) elections, party members could also be rewarded and given scope for their enthusiasm by being nominated as candidates. Unfortunately, the rewards sometimes went beyond this, and control of a local authority was valued for the financial benefits. Also,

Since 1961, when its elected council was abolished, the Federal Capital had been governed by an appointed Federal Commissioner, advised by an Advisory Board. In February 1974 its territory became federal, the Selangor State Government having given up 94 square miles in exchange for compensation worth several hundred million dollars. The money will be used to build a new state capital at Shah Alam ten miles away. The new Federal Territory has seats in the Federal Parliament. Its removal from Selangor reduced the anti-National Front vote in the state.

Town Councils differed from Town Boards because they had a majority of elected members. Most Town Councils were financially autonomous but most Town Boards were not. Four of the District Councils, found only in the states of Penang and Malacca, were financially autonomous, three were not.

[207] See p. 104.

national politics spilled into local politics, and the parties which fought local elections were *national* parties concerned with national as well as local issues. At the 1963 local elections the Tunku claimed that the Alliance had won about 70 per cent of the seats because the electors favoured its policy on the formation of Malaysia. On the other hand, the Alliance complained that opposition parties injected discussions on national issues, such as education policy, into council meetings where these topics were irrelevant to the council's work. The functioning of local government, especially in the larger authorities, was marked by disputes which received much publicity. Often the quarrel was between a local authority controlled by one party and the State Government controlled by another. The issue might be maladministration, as alleged by the Alliance Negri Sembilan State Government against the non-Alliance Seremban Town Council,[208] or it could be symbolic—reluctance on the part of the non-Alliance controlled George Town City Council to provide flags and illuminations to celebrate the end of the Emergency or the founding of Malaysia, deeply resented by the Alliance Penang State Government.

Ironically, the changes which took place in local government were not initially motivated by any considered diagnosis of its defects or any vision of a grand design to remedy them. The Government decided to appoint a Royal Commission of Enquiry under Senator Nahappan in 1965, but its report was not submitted until early in 1969 and not publicly released until late in 1971. In 1965 it was announced that, in view of the Emergency which had been proclaimed because of Indonesian Confrontation, elections would be suspended.[209] There was no change even when Confrontation ended, and after parliamentary government was restored in 1971, the Government decided not to resume local elections. The Minister concerned, Datuk Ong Kee Hui, said that a special committee had been set up to study the Nahappan Report, and that its report had been submitted to the State Governments along with the Nahappan one. The consensus of the states, he said, was opposed to restoring elections because of the maladministration which had existed even in financially viable authorities. Consequently, vacancies through death or inability continued to be filled with a member of the same political party as the former member, vacancies from resignation being filled by the State Government. The DAP deplored the continued suspension, claiming

[208] *Straits Times,* 24 July, 15 December 1965: "Nahappan Report", paras. 746-8.

[209] *Straits Times,* 2 March 1965.

that they would have won a majority if elections had been held.[210]

Another type of change was made possible by federal legislation, although it was up to the states to decide whether or not to make use of it. A 1966 amendment to the Local Government (Election) Act of 1960 was passed, retrospective to 1961, permitting State Governments to abolish councils and to transfer their functions to persons they designated. A sophisticated analysis of the pattern of abolition up to mid-1972 has been made by Paul Tennant.[211] He found that significant variables linked with abolition were "electoral development" and population size. State capitals were also particularly liable to be abolished, although this was related to the two previous variables: three capitals which were relatively small and relatively "underdeveloped" electorally were not abolished. Sixteen of the twenty abolitions occurred in only three states—Penang, Malacca and Kelantan, all states where the elective element was strongest. Simplistic racial "explanations", attributing abolition to different racial groups being in control of the State Government and the local authority concerned, were found to be inapplicable. Neither were party differences between the Federal (Alliance) Government and local authorities an important factor: in 16 of the 20 cases considered[212] the council abolished was Alliance-controlled. Party differences between the *State* Government and the local authority, however, were found to be significant. Presumably, shortcomings in local authorities which might be tolerated up to a certain point, or might be rectified through party channels, may not be overlooked if they are attributable to a rival party.[213] The publicity which was given to deficiencies in administration in Seremban, and in George Town[214]

[210] *Straits Times* (Malaysia), 12 February 1972. See also Datuk Ong, reported in ibid., 8 July 1971.

[211] "The Decline of Elective Local Government in Malaysia", *Asian Survey,* Vol. XIII, No. 4 (1973). See also his case study, "The Abolition of Elective Local Government in Penang", *Journal of Southeast Asian Studies,* Vol. IV, No. 1 (1973).

[212] "Local Councils", some of which were abolished, were not dealt with in his study.

[213] Party rivalry could continue even after the abolition of an authority and even within the National Front. In February 1976 three branches of the UMNO Bandar Melaka Division urged the State Government to take over the administration of the Malacca Municipality from the Municipal Commissioner, the Malacca MCA President, alleging that the Municipality employed a very small number of Malays and Indians (*New Straits Times,* 16 February 1976). The allegation was denied in *The Guardian,* Vol. 18, No. 1 (January/February 1976).

[214] As revealed in very readable newspaper accounts of the enquiry into the George Town City Council's management of affairs in July 1966.

when it was controlled by non-Alliance parties, must have been of political advantage to the Alliance. Tennant concludes that a key factor was the presence of corruption of various kinds in most of the councils which were abolished. However, he cautions that this was probably not the only reason for abolition. Apart from the cases in which party differences, state and local, were a catalyst, there were other deficiencies which were abhorrent to state officials; inefficiency, unwillingness to enforce regulations, financial slackness,[215] and, perhaps above all, unwillingness to take state officials' advice.

The defects of local government were quite striking. To recapitulate: the system lacked roots; it was corrupt and financially slack beyond the permitted norms of the society,[216] sometimes to the point of bankruptcy; in some authorities, operations were vitiated by party politics, which might prevent cooperation within the council,[217] and lead to the victimization of political opponents.[218] It also lacked qualified men to provide leadership in the councils. The President of one Town Council allegedly went on a "spending spree" because the council had a large bank balance, and he was not fully conversant with financial general orders as he had read them only once.[219]

The Nahappan Report contained a large number of recommendations, many of them far-reaching.[220] The two most important and contentious concerned elections and party politics,[221] and restructuring and reducing the numbers of local authorities.[222] It is a

[215] A combination of the last two factors which was common was the reluctance to collect "rates", taxes on property, the main source of revenue, apart from grants, of most councils. It was alleged that some opposition parties had campaigned on a platform of "no rate collection" during local government campaigns in the early 1960s (Senator Lim Keng Yaik, *New Straits Times,* 21 January 1976).

[216] Tennant, "The Decline . . .", op. cit., p. 362.

[217] Ibid., pp. 363-4.

[218] As when a council deliberately caused nightsoil to be dumped before the house of a political opponent because of political differences. He complained and also refused to pay, because the councillors themselves had not paid ("Nahappan Report", para. 565).

[219] The Johore Bahru Town Council (*Eastern Sun,* 18 July 1968).

[220] Pp. 279 ff. See also: Malcolm W. Norris, "Local Government in West Malaysia—the Royal Commission Report and After", *Studies in Comparative Local Government,* Vol. 8, No. 1 (1974), p. 19; Cynthia H. Enloe, "The Neglected Strata: States in the City-Federal Politics of Malaysia", *Publius,* Vol. 5, No. 2 (1975), pp. 160-5.

[221] Recommendations 2, 48, 49.

[222] Principally, Recommendations 22, 23, 32.

little surprising that the Report advocated the resumption of elections and party politics in view of the evidence it produced about their harmful effects. The Federal Government was quite opposed to these recommendations and in 1973 enacted the Local Authorities (Temporary Provisions) Act. The suspension of elections was continued, although Datuk Ong Kee Hui said that, since local government was a state responsibility, it was for the states to decide, in the National Council for Local Government, whether elections should be held or not. Until then, local elections would continue to be suspended in Peninsular Malaysia. This in itself was not new, but, additionally, instead of the old-time councillors continuing to serve and being replaced only as they died or resigned, the term of office of all councillors would be ended, and local authorities would be managed by Boards of Management, to be appointed by the State Governments. In addition to eliminating party politics, it was also hoped, presumably, that the standard of ability among councillors would rise.[223] As Senator Lim Keng Yaik observed later, "State Governments should appoint people who can at least read, understand, and appreciate the laws of local government."[224] Predictably, the DAP resolutely opposed the new provisions.[225]

However, some other Nahappan Report recommendations, those on restructuring local government, were in essence adopted by the Government.[226] The 1973 Act made provision for restructuring, but the response from the states was slow, and early progress was made in only a few, notably Penang and Perak. The Local Government Act of 1976, which replaced the 1973 Act, laid down a more definite policy. In accordance with a federal plan, the existing 374 local authorities would be reduced to twelve Municipalities and about ninety District Councils within three years. Members of these local authorities would be appointed, not elected, and in most cases the chairman would be the District Officer or another civil servant. In contrast with the previous situation, every inch of land in the country would be administered by one of these. In each state restructuring would begin

[223] *Straits Times* (Malaysia), 10, 24 and 25 July 1973.

[224] *New Straits Times,* 21 January 1976. Datuk Ong Kee Hui also hoped that, with the implementation of the Harun Report, more professional people would be attracted to serve in local authorities (ibid., 13 March 1976).

[225] *The Rocket,* Vol. 8, No. 3 (1973).

[226] *New Straits Times,* 1 May 1973.

with the state capital.[227] The Act also made provision for improving the finance of local government units, by empowering them to raise loans and obtain private financing in other ways, and by increased federal allocations.

The intentions of the new Act were not limited to improving efficiency through reducing the number of authorities, extending the area controlled by each, and improving the finance and manpower available. These reforms were meant to contribute to national development, through development projects, and, beyond that, to national unity. Any restructured authority would therefore become a Local Planning Authority, responsible for planning and implementing local development plans.[228] The national unity aspect was stressed by the Director-General of Local Government, Encik Abdul Karim bin Ineh. In the new structure the merging of urban centres with surrounding rural areas would reduce the sharp distinction between urban and rural and eliminate the compartmentalization of the ethnic groups.[229]

Local Government in Sarawak and Sabah[230]

Local government in the Borneo states dates from 1921 in Sarawak (the Kuching Sanitary Board) and from 1952 in North Borneo (the District Council in Kota Belud). By the time that Malaysia was formed local authorities covered the whole of Sarawak and nearly all of Sabah. Elections for these authorities were used, via a "tier" system, to produce indirectly elected members for the state legislatures and for the Borneo states' initial representation in the Federal Parliament.[231] These were the last elections held for local authorities in Sarawak and Sabah. There were no more elections in the 1960s and a freeze recommended in the Nahappan Report was accepted by the Federal Government. However, the restructuring of authorities in Peninsular Malaysia does not apply to the two states.

In Sarawak there is a Municipal Council in Kuching, an Urban

[227] Ibid., 16 January 1976 (the Director-General of Local Government).

[228] Ibid., 1 July 1975 (Tun Razak).

[229] Ibid., 4 July 1975.

[230] See Milne and Ratnam, op. cit., pp. 262-77.

[231] K.J. Ratnam and R.S. Milne, *The Malayan Parliamentary Election of 1964* (Singapore, 1967), ch. 10.

District Council (Sibu) and a council in each of the other districts. Sabah also has a council in each district and four Town Boards, in Kota Kinabalu, Sandakan, Tawau and Labuan. Apart from the authorities in the towns, the councils are subject to rather tight control. This is especially so in Sabah, where, apart from the Town Boards, the DO is either the Chairman or Vice-Chairman of the Council. Except for a few authorities, the financial problems affecting councils in Peninsular Malaysia are present, perhaps in an even more acute form. Non-collection of rates, for instance, is a familiar occurrence. The authorities simply have too few resources to be effective. Corruption has also existed in Sarawak.[232] The system in both states is viable only because it is controlled and supported by state officials, especially District Officers.

The Judiciary and Politics

A word is necessary on the political implications of the judicial system, although this can only be in outline. The 1957 Constitution continued the judicial system already introduced by the British, providing that there should be a Supreme Court and such inferior courts as might be determined by federal law. There were two divisions of the Supreme Court—the High Court, and the Court of Appeal. Additionally, beyond the Supreme Court, there could be appeal to the Judicial Committee of the Privy Council in London, which consists of members of the Queen's Privy Council who have held high judicial office in the British Commonwealth. "Inferior Courts", established by federal law, include Sessions Courts, Magistrates' Courts, and Penghulus' Courts which exercise a limited and local jurisdiction. There are also Muslim religious courts, which enforce religious observance and regulate the domestic, and in particular the matrimonial, life of Muslims. They are established by the state legislatures, and form a separate system of courts.[233] There is no state judicial system with general functions.

On the creation of Malaysia it was necessary to integrate the judicial machinery with that in existence in the Borneo territories (and temporarily with the machinery in Singapore). The new Federal Court of Malaysia is headed by the Lord President, and is the highest

[232] Milne and Ratnam, op. cit., pp. 267-8.

[233] On these and on subordinate courts in the Borneo states, see Suffian, op. cit., pp. 92-3.

judicial authority in Malaysia with the jurisdiction to interpret the Constitution and decide disputes between states and between any state and the Federal Government. It is also the Court of Appeal for the whole of Malaysia. Under it are two High Courts,[234] one in Peninsular Malaysia and one in the Borneo states, each under a Chief Justice. These courts have original jurisdiction in their areas; appeal from each of them lies in the Federal Court.

In December 1975 the Dewan Rakyat passed a bill to abolish appeals to the Privy Council on criminal and constitutional cases, although it seemed that when the provisions became law they might not be enforced for a year or two. Some Commonwealth countries had previously abolished such appeals. Doubts were expressed by opposition members on the independence of Malaysian judges. The Chairman of the Malaysian Bar Council stated that the Council had opposed a previous measure for abolition in 1968 and that this new bill had not been referred to it.[235]

It is the function of the judges to protect the citizens against possible abuses of power by agents of the Government and to act as arbiters in disputes between State Governments or between Federal and State Governments. It is therefore vital that the independence of the judges should be preserved. The Constitution therefore provides that judges shall hold office until the age of sixty-five and that their remuneration shall be charged upon the "Consolidated Fund", a method of protecting them from motions in Parliament aimed at reducing their salaries. A judge can be removed from office on the ground of misbehaviour or inability to discharge his judicial functions properly. But the procedure for removal is made cumbersome in order to safeguard judicial independence.[236] One provision on the appointment of judges was abolished in 1960.[237] By the 1957 Constitution judges could be appointed only on the recommendation of the Judicial and Legal Service Commission. But since 1960 the Yang

[234] Some interchangeability of functions among judges was effected by the 1976 act amending the Constitution (*New Straits Times,* 14 July 1976). Later, it was announced that more judges would be placed on the High Court because of the heavy pressure of work (ibid., 13 August 1976).

[235] *Malaysian Digest,* 31 December 1975, p. 5; *New Straits Times,* 19 December 1975.

[236] Constitution, Article 125(3)-(5).

[237] By the Constitution (Amendment) Act, which abolished the Judicial and Legal Service Commission. The Commission was later re-established but without the function of recommending on judicial appointments.

Dipertuan Agung must act on the advice of the Prime Minister, after consulting the Conference of Rulers. In the case of judges other than the Lord President of the Federal Court, the Lord President (and also other persons for some appointments) must be consulted. Such consultations are necessary, because territorial, racial and political considerations have to be borne in mind.[238]

It would take a long time to examine all the cases with "political" aspects which have come before the courts. However, even without this, it is evident that they have shown a high, and refreshing, standard of independence. A good example occurred in 1964 when an Alliance Minister lost a libel suit in which one of the defendants was an opposition Member of Parliament.[239] Two cases concerned the state of Kelantan. In one the state failed to secure a declaration against the Federal Government that the Malaysia Act was null and void or not binding on Kelantan.[240] Later, however, the Federal Government lost a case in which it contended that the Kelantan Government, by entering into certain commercial arrangements with a company under which it received a deposit, had contravened the Constitution by borrowing.[241] Datuk Ningkan, politically at odds with the Federal Government, won a case in 1966 against his purported dismissal by the Governor of Sarawak. But after he had been dismissed again under powers conferred by the Emergency (Federal Constitution and Constitution of Sarawak) Act, he failed to obtain a declaration that the Act was null and void.[242] The courts continued to act independently after May 1969. In the series of court actions against Encik Fan Yew Teng for publishing a seditious speech in *The Rocket,* December 1970, eventually, in June 1975, his appeal against conviction was dismissed in the Federal Court. But the first time he was tried, his original conviction was quashed by the Federal Court because a preliminary enquiry had not been held as required by law.[243] He was also successful in his application to the High Court to declare

[238] Tan Sri Mohamed Suffian, "Bench, Bar and the Government . . .", *New Straits Times,* 28 February 1975. A Sabahan was made a High Court judge in August 1975.

[239] *Sunday Times,* 6 December 1964; von Vorys, op. cit., pp. 183-8.

[240] Harry E. Groves, *The Constitution of Malaysia* (Singapore, 1964), p. 132.

[241] Suffian, *An Introduction to the Constitution of Malaysia,* op. cit., p. 97.

[242] Ibid., pp. 83-5. Means, op. cit., pp. 384-5.

[243] The sequence is summarized in the *New Straits Times,* 17 July 1975. See also p. 237.

that a by-election could not legally be held in the Menglembu constituency for which he was the member.[244] Other court decisions in favour of members of opposition political parties concerned Encik Oh Keng Seng (tried for sedition for the statement published by Fan Yew Teng),[245] various members of Partai Rakyat,[246] and Encik Chan Kok Kit, the DAP treasurer.[247]

[244] *New Straits Times*, 13 March 1975.

[245] Ibid., 26 June 1975.

[246] Ibid., 2 June 1975 and 29 July 1975.

[247] Ibid., 13 July 1976. Chan Kok Kit was one of the six politicians detained on 3 November 1976 (see p. 218).

9
FOREIGN POLICY AND SECURITY

Foreign Policy[1]

Although Malaya gained her independence in 1957 and was therefore then able to formulate her own foreign policy, her freedom of manoeuvre was in fact limited by a number of considerations. Because independence was gained at a time when the fight against the communist terrorists was still continuing, her foreign policy was resolutely anti-communist. To that extent for the next decade or so it was "pro-Western". According to the Tunku, "where there has been a conflict between two ideologies—Western and Eastern ideologies—then I have made myself quite clear before that we side with the Western ideology, or the Western understanding of democracy."[2] Appropriately, this stance was accompanied by agreements for defence with Britain and by a largely free-enterprise economy which encouraged foreign investment. Policy was also influenced by membership of the British Commonwealth, by the desire to create a grouping of states in Southeast Asia, and by external "ethnic" pulls, mostly from China and Indonesia. A decade after Independence there was also a growing identification with the third world, particularly in Asia and Africa, and a move to establish links with the USSR and other European communist states. In the 1970s, when Tunku Abdul Rahman had been succeeded by Tun Razak, there was a further evolution of policy which took the form of entering into diplomatic relations with China and attempting to promote a zone of neutrality in Southeast Asia.

Malaya was a strong supporter of the UN, viewing it as a protector of small nations. Some of the targets she attacked there were obvious ones for an Afro-Asian country, even one aligned with the West: Portuguese colonies in Africa, the South African Government's brutality and *apartheid* policy, French policy in Algeria. The Tunku was one of the toughest opponents of *apartheid* at the Commonwealth Prime Ministers' Conference in 1960, which ended with South Africa

[1] For a theoretical interpretation see Jayaratnam Saravanamuttu, "A Study of the Content, Sources and Development of Malaysian Foreign Policy, 1957-1975" (Ph. D. Thesis, University of British Columbia, 1976).

[2] *Straits Times,* 15 December 1962.

leaving the Commonwealth. But other objects of denunciation by Malaya were not "colonial", at least not in the old sense of the word. Among them were Russian repression in Hungary and the Chinese attack on Tibet. Malaya also showed her support for UN peace-keeping efforts by providing over a thousand troops for the UN force in the Congo, from 1960 to 1963.

In spite of her anti-communist stand, on attaining independence Malaya did not become a member of the Southeast Asia Treaty Organization (SEATO). From the military point of view, membership would presumably not confer any appreciable benefits over and above the existing defence arrangements with the British. Even if adequate British military help were not forthcoming, because of British weakness or extensive commitments elsewhere, presumably United States' help might have been available if there were a real threat of a Communist Chinese invasion through Thailand. Another consideration was the unpopularity of SEATO, not only with the Communist Chinese but also with India and Indonesia. Indeed, unpopularity with the last two countries was explicitly given as a reason for Malaya's not having joined SEATO by the Tunku, when interviewed in Canberra in 1959.[3]

The potential regional group which interested the Malayan Government most was an association of Southeast Asian states. As early as 1959 the Tunku was saying in public that one day the defence and other pacts with the British might end, and that it was therefore essential for Malaya to be a participant in a Southeast Asian Friendship and Economic Treaty.[4] This proposal aroused some suspicions, from Indonesia especially, on the ground that Britain and the United States were behind it and that it was merely an imperfectly disguised extension of SEATO.[5] However, by 1960, Malaya, the Philippines, and Thailand had agreed to set up a smaller-scale association which would be non-political, which would not be concerned with security, and which would not be identified with any ideological bloc. The association took the name "The Association of Southeast Asia"

[3] *Free Press,* 10 November 1959. But in voting on East-West "cold war" issues in the United Nations, 1957-62, Malaya's voting closely paralleled that of SEATO members (R.O. Tilman, "Malaysian Foreign Policy: the Dilemmas of a Committed Neutral", *Public Policy,* John D. Montgomery and Albert O. Hirschman, eds. (Cambridge, Mass., 1967)).

[4] *Free Press,* 10 and 17 November 1959; *Straits Times,* 18 November 1959.

[5] *Sunday Times,* 28 May 1961; *Straits Times,* 12 January 1962.

(ASA), and the first meeting of its Foreign Ministers was held in Bangkok in July and August 1961.[6] Arrangements were made for future meetings, and for the setting up of national secretariats. Officials from the three countries also started work on tourism, the formation of an ASA airline, an ASA shipping line and other transport schemes, international trade, cultural exchanges, and research. Another meeting of Foreign Ministers was held in Manila in April 1963. The severance of diplomatic relations between Malaysia and the Philippines later in 1963 put an end, temporarily, to further work on these projects, but ASA meetings began again in 1966.

The formal end of the Emergency in 1960 resulted in a new policy on the admission of Communist China to the United Nations. Malaya's original view had been that Communist China should not be admitted to the UN while Malaya was still fighting internally against the communists.[7] However, in 1961 Malaya stated in the UN General Assembly that she would support the admission of mainland China to the UN "in principle", but only if Formosa (Taiwan) were allowed to maintain its separate political identity.[8] Malaya consequently voted against admission in 1961, but abstained on a similar motion in 1962 on the ground that it was ambiguous; from 1963 onward she voted against, her attitude having hardened largely as a result of Chinese "unprovoked armed aggression" on India.[9]

Indonesian Hostility

When Malaya became independent in 1957, constitutionally she might have assumed responsibility for her own defence. However, the Emergency was still in existence, and British (and Australian and New Zealand) troops were still in Malaya actually fighting the communists. So a defence agreement was concluded providing for British assistance and also for British maintenance of bases, troops, and facilities.[10] When the Emergency ended, the agreement continued, but it had to be

[6] ASA, *Report of the First Meeting of Foreign Ministers* (Kuala Lumpur, 1961).

[7] *Free Press,* 20 January 1960.

[8] United Nations General Assembly, 16th Session, *Official Records,* 1077 Plenary Meeting, 13 December 1961, p. 1019.

[9] Ibid., 18th Session, 1243 Plenary Meeting, 16 October 1963, p. 16.

[10] *Proposed Agreement on External Defence and Mutual Assistance* (London, 1957, reprinted 1959) (Cmnd. 263).

revised when Malaysia was created, in order to make provision for the inclusion of Singapore, Sarawak and Sabah.[11]

The defence agreement soon became operative because of Indonesian hostility to the proposed federation. At first the Indonesian Government did not object, only the Indonesian Communist Party did. Hostility became apparent, however, after the "Azahari revolt" of 1962. A.M. Azahari,[12] leader of the Brunei Partai Rakyat, opposed Malaysia and put forward plans for an independent state under the Sultan of Brunei, consisting of Brunei, Sarawak and North Borneo—in effect a recreation of Brunei's borders as they had been over a hundred years before. Fighting broke out in December 1962, but the revolt was badly directed and was quickly suppressed when British troops were flown in.

The importance of the revolt lay in its triggering off open Indonesian hostility. This was partly a product of the Indonesian view that Malaya was only a small part of a potential *Indonesia Raya* (Greater Indonesia). It also resulted from the belief that Malaysia was "neo-colonialist", never having undergone a revolution, such as Indonesia's.[13] The fact that British troops remained on her soil was taken as proof that she was not really independent.

The Philippine Claim to Sabah[14]

The situation was complicated by the Philippine claim to North Borneo, revived early in 1962. It was based on several contentions:

[11] This raised the question whether or not British troops based in Singapore could be deployed elsewhere on a SEATO mission. (*The Times* (London), 23 and 25 November 1961; Article VI of the Malaysia Agreement; T.H. Silcock, "Development of a Malayan Foreign Policy", *Australian Outlook,* Vol. 17, No. 3 (1963), p. 51.)

[12] Gordon Means, "Malaysia—A New Federation in Southeast Asia", *Pacific Affairs,* Vol. XXXVI, No. 2 (1963), pp. 150 ff., *Straits Times,* 14 December 1962; "The Azahari Rebellion", *Sunday Mail,* 16 December 1962; *Straits Times,* 18 and 19 January 1962 (interviews by Alex Josey with Nicasio Osmeña and A.M. Azahari).

[13] Bernard K. Gordon, "The Potential for Indonesian Expansionism", *Pacific Affairs,* Vol. XXXVI, No. 4 (1963-64); George McT. Kahin, "Malaysia and Indonesia", *Pacific Affairs,* Vol. XXXVII, No. 3 (1964); *Malaya-Indonesian Relations* (Kuala Lumpur, 1963).

[14] *Malaya-Philippine Relations* (Kuala Lumpur, 1963); M.O. Ariff, *The Philippine Claim to Sabah* (Singapore/Kuala Lumpur, 1970); Michael Leifer, *The Philippine Claim to Sabah* (Zug, 1968); Martin Meadows, "The Philippine Claim to North Borneo", *Political Science Quarterly,* Vol. LXXVII, No. 3 (1962); Lela Garner Noble, *In Pursuit of the National Heritage: the Philippine Claim to Sabah* (Tucson, Association for Asian Studies Monograph Series, 1977); Emmanuel Pelaez (Vice-President and Secretary of Foreign Affairs), *Statement at the Opening Meeting of the*

that the Sultan of Sulu had merely "leased", not "ceded",[15] the territory in 1878 to the predecessors of the British North Borneo Company, from which it had passed to the British Crown; that, in any case, sovereignty could be transferred only to sovereigns, and the Company's predecessors were not sovereigns; that the Philippine Government was the heir of the Sultan. The legal claim is partly irrelevant in a world where the wishes of the inhabitants of a territory, as opposed to documents dating from a colonial past, are increasingly being considered as decisive in determining who shall govern it.

The revival of the claim at this particular time, as distinct from its validity, may be attributed to several factors. Diosdado Macapagal, elected President in November 1961, had long been a proponent of the claim. It was also supported by the popular weekly, the *Free Press,* and by Nicasio Osmeña, a backer of Azahari's with patently financial motives. Various arguments were employed, among them the view that the Philippines could protect North Borneo from communism better than Malaya could. There might also have been some desire to match Indonesian militancy against Western nations and their allies and dispel the image of the Philippines as being too closely tied to the neo-imperialism of the United States. Possibly, the Philippines was more interested in the presentation of the claim, and in its being considered seriously, than in actually having it implemented. Unfortunately, Britain and Malaya were perhaps not scrupulous enough in going through procedures to indicate consideration of the claim, and this lack of *delicadeza* led to a hardening of Filipino attitudes.

Confrontation

From early 1963 Indonesia pursued a policy of "Confrontation"[16] towards Malaysia, although there were several *detentes* in which

Anglo-Philippine Talks (London, 28 January 1963) (reproduced by the Philippine Government); K.G. Tregonning, "The Claim for North Borneo by the Philippines", *Australian Outlook,* Vol. XVI, No. 3 (1962).

[15] In the Malay version the English meaning of the word is unclear. It has sometimes been said that the British have an original version in English, but this has never been produced.

[16] *Straits Times,* 21 January 1963, quoting the Indonesian Foreign Minister, Dr Subandrio. See J.A.C. Mackie, *Konfrontasi: the Indonesia-Malaysia Dispute, 1963-1966* (Kuala Lumpur, 1974); Arnold C. Brackman, *Southeast Asia's Second Front: The Power Struggle in the Malay Archipelago* (New York, 1966); Bernard K. Gordon, *The Dimensions of Conflict in Southeast Asia* (Englewood Cliffs, N.J., 1966).

threats were replaced by expressions of brotherly love. Confrontation stopped short of full-scale war, but included aggressive patrolling by Indonesian vessels between Sumatra and Malaya, using members of the *Tentera Nasional Kalimantan Utara* (North Borneo National Army) to provoke a long series of incidents on the borders of the North Borneo states and Indonesia, bomb outrages in Singapore, and dropping or landing troops on the coasts of Malaya. Indonesian intervention encouraged the already existing threat of communist subversion in Sarawak.[17]

A temporary lull in Confrontation accompanied tripartite meetings of representatives of Malaya, the Philippines and Indonesia, which culminated in a "Summit Meeting" in July and August 1963. At the Summit it was decided to form a new organization, Maphilindo. The purpose was obscure, although the "Declaration" announcing it had hostile references to colonialism and imperialism. The pronouncements had a cultural and rhetorical flavour, and mention was made of the "Malay origin" of the three countries.[18] Maphilindo, in any case, was inoperative because Confrontation was immediately renewed. At the Summit Indonesia and the Philippines persuaded Malaya to agree that the wishes of the Borneo territories' inhabitants on joining Malaysia should be ascertained. A United Nations team visited the territories to do this, Malaya postponing the original date for Malaysia from 31 August 1963 until 16 September. The UN Secretary-General's Report, which appeared just before then,[19] found that Malaysia had indeed been a major issue at the recent elections in North Borneo and Sarawak, and that the elections had been "free", and had indicated the approval of a large majority of the people for Malaysia.[20] Indonesia, however, did not accept the Report, claiming that the agreed procedures had not been followed. Relations

[17] *The Danger Within* (Kuching, 1963).

[18] *Malaya-Philippine Relations,* op. cit., Appendices IX and X.

[19] In *United Nations Malaysia Mission Report* (Kuala Lumpur, 1963), pp. i-ii, the Secretary-General deplored the fact that the date, 16 September, was fixed before his conclusions were reached and made known. The timing also caused resentment on the part of Indonesia, but the Tunku was under pressure from the Borneo states and Singapore to proclaim Malaysia. The postponement represented a concession to Indonesia, but he insisted that the formation of the new federation was not dependent on the UN assessment (*Straits Times,* 26 and 30 August and 4 September 1963).

[20] *UN Malaysia Mission Report,* op. cit., especially para. 245.

deteriorated, Malaysia broke off diplomatic relations, and Indonesia stepped up Confrontation, adding to armed pressure by cutting off trade with Malaysia. Various attempts at mediation followed, but without success.

The battle between Indonesia and Malaysia was continued in a wider arena. Malaysia won a moral victory in the United Nations Security Council on 17 September 1964. A draft resolution, regretting and deploring the incidents which had occurred and requesting that the parties concerned try to prevent a recurrence and also "to refrain from all threat or use of force and to respect the territorial integrity and political independence of each other" received nine votes and only two were cast against.[21] However, one of the opposing votes came from the USSR; so this constituted a veto. Malaysia's election to the Security Council for 1965[22] was followed within a few days by the withdrawal of Indonesia from the United Nations. Diplomatic relations were also broken off with the Philippines, but were restored at consular level in 1964, and were fully resumed in June 1966, after Marcos had replaced Macapagal as President of the Philippines.

Even before the failure of the attempted coup in Indonesia in September-October 1965, there had been informal discussions on ending Confrontation between Indonesian and Malaysian leaders. However, the shift of power in Indonesia was gradual, and, similarly, a move towards closer relations with "neo-colonialist" Malaysia could not be too sudden. Indonesia, first having recognized Singapore, after a while made formal approaches to Malaysia. On 12 August 1966 an accord was signed between the two countries. Hostilities were to cease and diplomatic relations were to be restored. Elections were to be held in which Sabah and Sarawak would be given an opportunity to reaffirm their position in the Malaysian Federation. The talks on the resumption of relations also included the topic of forming an association wider than ASA or Maphilindo, comprising, to begin with, Indonesia, Malaya, the Philippines and Thailand; eventually this took the form of ASEAN.

Because of its limited scale, Confrontation was tolerable; it was an irritant rather than a cancer. Its military effect was negligible.

[21] *Malaysia's case in the United Nations Security Council, documents reproduced from the official record of the Security Council proceedings* (Kuala Lumpur, 1964), p. 80. Bolivia, Brazil, Republic of China, France, Ivory Coast, Morocco, Norway, Britain, and the USA were in favour; the USSR and Czechoslovakia were against.

[22] *Straits Times,* 31 December 1964.

Psychologically, it had limited impact in Malaya. Any effects on the Chinese must have been to stiffen their patriotism to Malaysia, as the 1964 election results showed. On the Malays, in spite of the legendary reputation of Sukarno as a hero and Indonesian radio broadcasts beamed at Malaya, it had little impact. PAS has emotional and cultural links with Indonesia, but it is unlikely that most of its members would have sided with Indonesia against Malaysia, unless they had been persuaded that the Chinese in Malaysia had become so powerful a threat that they were about to take over the country. In spite of the need to arrest a number of Indonesian sympathizers, particularly some PAS and Socialist Front leaders, early in 1965,[23] subversion seems to have been comparatively unsuccessful. In Sarawak, although not in Sabah, the situation was very different. Subversion in some Chinese schools, in some trade unions, and inside the Sarawak United People's Party, meant that quite large sections of the population could not be relied upon to resist Indonesian attacks made in the name of "anti-colonialism". In July and August 1965, and in January 1966, the Government found it necessary to relocate several thousand inhabitants of a border area which had been exposed to subversion. The persons, who were mostly Chinese, were settled in New Villages similar to those that were set up during the Emergency in Malaya.[24]

Economically, Confrontation did not hit Malaysia as hard as had generally been expected, even in Singapore which had been thought to be most vulnerable. However, because Confrontation caused resources to be diverted from development to military purposes, the adverse impact could have been considerable in the long run. As it was, with no full-scale attack, Malaysia was saved from making any drastic, as opposed to sizeable, increases in her armed forces:[25] even by the beginning of 1965 they were not quite as numerous in the area as those of Britain, Australia and New Zealand combined.[26] However, although their military presence helped, defensively and economically, it had a serious drawback. To third world countries it seemed to be a

[23] *Indonesian Intentions Towards Malaysia* (Kuala Lumpur, 1964); *A Plot Exposed* (Kuala Lumpur, 1965).

[24] *The Communist Threat to Sarawak* (Kuala Lumpur, 1966); *Straits Times,* 7 July and 9 August 1965, and 6 January 1966.

[25] Ibid., 14 December 1962, 30 May 1963 and 3 December 1965.

[26] Ibid., 9 January 1965; *Malay Mail,* 14 January 1965.

relic of imperialism. Yet its withdrawal would have left Malaysia hard to defend against an aggressively capricious Indonesian Government, which might at any time have stepped up the pace of Confrontation.

Foreign Policy in Transition

The end of Confrontation was greeted with relief in Malaysia. Military and foreign policy problems became less acute, and a transitional period followed. The contrast between foreign policy in 1957 and 1976 is striking, yet the change from one to the other was quite gradual; proposals or suggestions for changes were made, but were put into operation only when "the time was ripe". Reference has already been made to the Tunku's early remarks on a Southeast Asian treaty.[27] Similarly, it will be seen that the desirability of neutralization in the area and of relations with China were mooted some time before they were taken up officially.

One change in emphasis resulted directly from Confrontation. Apart from the Tunku's building up of relations with Muslim countries,[28] foreign policy up to 1963 had rather neglected forging ties with third world countries. During Confrontation this had serious results. Indonesia used international meetings to press her case against Malaysia, and at the Afro-Asian Solidarity Conference held in Tanganyika in February 1963, the Malayan-Singapore delegation did not even succeed in being seated.[29] Consequently Malaysia made strenuous efforts to win friends by setting up new diplomatic missions, by seeking admission for her delegates to similar conferences and through visits abroad by the Tunku, Tun Razak, Mr Lee Kuan Yew, and others. This emphasis was also present in the ideas of those who had opposed a defence agreement with Britain, like Dr Mahathir, the Chairman of the Malaysian Afro-Asian People's Solidarity Organization. In August 1965 the Alliance Parliamentary Group on Foreign Affairs, consisting of over a quarter of the Alliance Members of Parliament, urged that Malaysia should establish the "widest diplomatic representation possible with countries, irrespective of their ideologies".[30] There was no great debate or opposition in

[27] See p. 296.

[28] Marvin C. Ott, "Foreign Policy Formation in Malaysia", *Asian Survey,* Vol. XII, No. 3 (1972), p. 235.

[29] Means, op. cit., p. 156.

[30] *Sunday Times,* 9 August 1965.

Malaysia when a trade agreement was concluded with the USSR in 1967, followed by an exchange of diplomatic missions. In the mid-1960s an important voice in the Alliance was advocating further changes. Tun Ismail, then Acting Foreign Minister, said in 1966 that he did not oppose the communist system in China so long as it kept within its own borders. He also looked forward to a regional association of all the Southeast Asian states, including Vietnam and Laos, which would not be military in nature, and would be neither anti-communist nor anti-Western.[31] A year and a half later Tun Ismail, now speaking from the back benches, was even more prophetic about developments that he did not live to see fully realized. "The time is . . . ripe for the countries in the region to declare collectively the neutralization of Southeast Asia. To be effective it must be guaranteed by the big powers, including Communist China . . ."[32]

Evolving Policy: Neutralization; Relations with China

Changes in official policy can be traced in the speeches of Tun Razak and others, especially from 1970 onwards, as mentioned later in this chapter.[33] Although the changes began before the Tunku's resignation as Prime Minister in September 1970, in fact he had largely handed over the conduct of foreign policy to Tun Razak a few months before then. Undoubtedly some aspects of the new direction of foreign policy would have been different if the Tunku had remained in charge of foreign affairs. It is likely, for example, that he would not have been so flexible on the issue of diplomatic relations with China; they would probably still have been established, but not as quickly.[34] To use the

[31] *Straits Times,* 24 June 1966.

[32] *Dewan Rakyat Debates,* 23 January 1968.

[33] For evaluations see: Lau Teik Soon, "Malaysia and the Neutralization of Southeast Asia", *Trends in Southeast Asia No. 2: Proceedings and Background Paper of Seminar on Trends in Malaysia,* Patrick Low, ed. (Singapore, 1971); Mahathir bin Mohamad, "Trends in Foreign Policy and Regionalism", ibid.; Stephen Chee, "Malaysia's Changing Foreign Policy", *Trends in Malaysia II,* Yong Mun Cheong, ed. (Singapore, 1974); *Straits Times,* 19 September 1971.

[34] One effect of meeting the communist leader, Chin Peng, during the Emergency was to convince the Tunku that Malaya and communism could never co-exist (Harry Miller, *Prince and Premier* (London, 1959), pp. 192-3). But in March 1969 he said that Malaysia might consider diplomatic relations if there was not "undue interference" from them (referring to guerilla activity) (*Straits Times,* 8 March 1969).

inevitable word, Tun Razak's style in foreign policy was "pragmatic". The best exposition of the background of his policy, reflecting intelligent adaptation to rapid external change, was probably in his speech in Parliament in July 1971.[35] He said that there was "no doubt that the situation in Southeast Asia today is in a state of flux. Many of the familiar factors in the equation of Southeast Asia have changed and it is clear that a new equation is slowly emerging. Certain salient features of the regional landscape of the last decade are fast disappearing and new features are appearing on the horizon. There is, for example, the British military withdrawal from the Malaysia/Singapore area—somewhat revised, it is true, after the return to office of the Conservative Party last June.[36] There is the gradual American disengagement from the Indo-China area. There is the growing power of Japan and her increasing interest in Southeast Asia beyond questions of trade only.

"Above all there is the new posture in Chinese foreign policy and her gradual emergence into the regional and international scene. The change in China's attitude began quietly enough with the so-called ping-pong diplomacy and other similarly gradual and cautious steps in the last few months. Last week it suddenly climaxed in the dramatic announcement of the secret journey to Peking by Dr Kissinger and the forthcoming visit to Peking by President Nixon." He went on to mention two related aspects of foreign policy for Malaysia: the neutralization of Southeast Asia and the need for China to resume her rightful place in the United Nations; however, the question of establishing diplomatic relations with China required separate consideration at a later date.

The terminology of the "neutralization" theme is subject to debate.[37] By the mid-1970s, the term "neutralization" had been

[35] *Malaysia's Foreign Policy* (Statement at the Dewan Rakyat on 26 July 1971) (Kuala Lumpur, 1971), p. 3.

[36] The rundown of British forces in the area beyond the previous rate was announced in a White Paper, May 1967. The new rate of withdrawal was only slightly modified when the Conservatives came to power in 1970. By 1976, withdrawal was almost total. However, the substantial removal of British forces in the area was contemplated when Malaysia was formed and was postponed only by Confrontation. Undoubtedly it was a big factor in the evolution of a neutralization policy. By mid-1976 the only Commonwealth troops left in Malaysia consisted of a small Australian force in Butterworth.

[37] Peter Lyon, *War and Peace in Southeast Asia* (London, 1969), ch. 6. On "non-alignment" see *The Thrust of Non-Alignment* (Georgetown, Guyana, 1972).

replaced by reference to a "zone of peace, freedom, and neutrality". In Tun Razak's best-known early public statement on the concept, at the Lusaka Summit Conference of non-aligned countries, the emphasis was on the neutralization of the Indo-China area, but he also made it clear that the objective was the neutralization of all Southeast Asia, guaranteed by China, the Soviet Union and the United States.[38] Tun Razak sought support for the concept elsewhere, notably at the United Nations in December 1970 and at the 1971 Commonwealth Conference in Singapore. Neutralization, originally advocated by Malaysia alone, was later approved by ASEAN, the enlarged version of ASA, consisting of Malaysia, Indonesia, Singapore, the Philippines and Thailand, formed in August 1967. On 27 November 1971 an ASEAN declaration called for a neutral Southeast Asia, "free from any form or manner of interference by outside powers". The Declaration did not explicitly mention guarantees by the three Great Powers in the area, but realistically it could be effective only by their consent, not necessarily explicit.[39] In general, although none of the three has given anything like a guarantee, China has been favourable to the idea, the United States has been noncommital, but not opposed. The Soviet Union has been the least enthusiastic, mainly because it sees the scheme as a rival to its own scheme, covering a wider area in South and Southeast Asia and aimed at the containment of China.[40] Tan Sri Ghazali Shafie, one of the chief architects of the neutralization policy, laid down the desirable conditions for the three major powers: they should agree that Southeast Asia should be an area of neutrality; they should undertake to exclude countries in the region from the power struggle among themselves; and they should also devise the supervisory means of guaranteeing Southeast Asia's

[38] For Tun Razak's speeches at the Third Summit Conference, Lusaka, September 1970 and at the Commonwealth Heads of Government Conference, January 1971 in Singapore, see, respectively, *Foreign Affairs, Malaysia,* Vol. 3, No. 2 (1970), pp. 13-19 and Vol. 4, No. 1 (1971), pp. 9-16. In January 1969 Tun Razak had referred in Parliament to the desirability of persuading the Great Powers, particularly China, to guarantee the integrity, independence and neutrality of Southeast Asia (J. Victor Morais, ed., *Tun Razak: Strategy for Action* (Kuala Lumpur, 1969), p. 14).

[39] See T.J.S. George, "The Neutralization Stakes", *Far Eastern Economic Review,* 11 December 1971, pp. 18-20.

[40] Originally proposed by Mr Brezhnev in June 1969. The two schemes were discussed when Tun Razak visited Moscow in October 1972, but he was not convinced of the superior merits of the Soviet plan (*Straits Times* (Malaysia), 6 October 1972). The USSR was still advocating its proposal in late 1975 (*New Straits Times,* 14 October 1975).

neutrality in the international power struggle.[41]

Later he spelt out what the Southeast Asian countries themselves could do to set their own house in order. Instability in one state in the system, or tension between one state and another, jeopardizes the stability of the system. In practice serious efforts at inter-state collaboration had been limited in scope and content. A collective response by the ASEAN states to external security issues would make them less vulnerable to the threats or blandishments of external powers. So, apart from the elements of the systemic neutrality which depended on the actions of the Great Powers, other important elements were national and regional cohesiveness and resilience among the Southeast Asian states themselves.[42]

The neutralization of Southeast Asia was closely tied to the China issue. "We cannot ask Communist China to guarantee the neutrality of Southeast Asia and at the same time say we do not approve of her."[43] In 1971 decisive steps were taken towards rapprochement. Malaysia voted for the Albanian motion for the seating of the People's Republic of China at the UN and the expulsion of the Chinese Nationalists. A trade mission under Tengku Razaleigh (the first official or semi-official one from an ASEAN country) was sent to Peking in May, and a return visit by a Chinese delegation to Kuala Lumpur was made in August. There were tangible results from the visits in the shape of a big increase in trade, especially rubber exports. Diplomatic relations were established with North Vietnam, North Korea, and East Germany in 1973, and the culmination of Malaysia's policy of detente took place in May 1974, when Tun Razak visited China with a view to opening diplomatic relations. In his welcoming speech Chou En-lai gave support to Malaysia's proposal "for the establishment of a zone of peace and neutrality in Southeast Asia".[44]

[41] Tan Sri Ghazali Shafie, "Neutralization of Southeast Asia", *Pacific Community*, Vol. 3, No. 1 (1971), p. 115.

[42] "ASEAN's Response to Security Issues in Southeast Asia" (Speech in Jakarta, 22 October 1974), *Seminar Organized by the National Council of Women's Organizations in Malaysia at Dewan Bahasa dan Pustaka, Kuala Lumpur, 14-18 April 1975 on "Woman in the Period of Change Today"*, Paper on "Peace", 17 April (mimeo.), Appendix E.

On the prospects for ASEAN's neutrality policy, see Sheldon W. Simon, *Asian Neutralism and US Policy* (Washington, D.C., 1975), ch. 3.

[43] Tun Ismail, *Malaysian Digest*, 16 October 1970, p. 1.

[44] *Asia Magazine*, 22 September 1974, p. 28.

As might have been expected, however, no formal guarantee was given. Other aspects of the visit were important for Malaysia *internally*. It was agreed that dual nationality should not apply, and that Malaysian citizens of Chinese origin would therefore not have ties with China because of their origin. Those Chinese in Malaysia who retained Chinese nationality were enjoined to abide by its laws. Another "internal" feature in the communiqué, issued after the meeting, was mutual respect for the other's sovereignty and non-interference in each other's internal affairs. Malaysia was keenly interested in this provision, which was backed by verbal assurances from Chinese leaders.[45] Malaysia was concerned about Chinese support for communist rebels in Malaysia, in the form of ideological, rather than material, support, especially via broadcasts from *Suara Revolusi Malaya* (the Voice of Malayan Revolution). This had been *the* issue which, even more than the question of the nationality and allegiance of local Chinese, had previously blocked the Malaysian Government from considering the establishment of diplomatic relations. In 1971 Tun Razak had said that the question ". . . does not arise at the moment: that Republic [China] is still pursuing an unfriendly policy towards Malaysia through hostile propaganda by the *Suara Revolusi Malaya* and the guidance and support given to the terrorists along the border".[46] In 1974 the Malaysian Government believed that the "internal" features of the communiqué would have beneficial effects. The loyalty of Chinese would be strengthened by the citizenship provisions, while the enthusiasm of communist rebels would be undercut by the withdrawal of support from Peking. The Malaysian Chinese in general would be gratified by the fact that the two countries' leaders had met and that China was being acknowledged as a Great Power. Consequently the meeting of Razak and Mao was shown on a widely-displayed Barisan poster during the election later in the year.[47] The need for a rapprochement with China having been explained to the Malays, and the Chinese having been

[45] *Straits Times,* 1 June 1974; *Sunday Times,* 2 June 1974. On Tun Razak's visit, generally, see *Foreign Affairs Malaysia,* Vol. 7, No. 2 (1974), pp. 40-58.

[46] *Dewan Rakyat Debates,* 19 March 1971, col. 1679. See also ibid., 12 March, col. 1022.

[47] On some possible internal effects of closer relations with China, see R. Stephen Milne, "The Influence on Foreign Policy of Ethnic Minorities with External Ties", Mark W. Zacher and R. Stephen Milne, eds., *Conflict and Stability in Southeast Asia* (New York, 1974), pp. 108-13.

warned not to be over-jubilant, the visit proved highly popular and contributed to the Government's decisive election victory in 1974.

Unfortunately, the broadcasts of *Suara Revolusi Malaya* did not cease, and in 1975 a special one congratulated the Malayan Communist Party on its fiftieth anniversary. Tun Razak told the 1975 UMNO General Assembly that he had made representations to China about the broadcasts.[48]

The newly-emerging policy has been described as a shift from defence, relying on military means, to security, relying on a variety of means.[49] The shift preceded the end of the fighting in Indo-China. There was no panic about the military situation and no fatalistic acceptance of the "domino theory".[50] The Malaysian reaction was to recognize, in 1975, the new governments in Cambodia and South Vietnam. As mentioned below, it was also Malaysia's wish that the Indo-Chinese states should join ASEAN. There was no significance in the continuation of the Five-Power arrangement[51] (Malaysia, Singapore, Britain, Australia, New Zealand), the 1971 replacement for the previous Anglo-Malaysian Defence Agreement. The forces from Britain, Australia and New Zealand left in the area were minimal, and, on a pragmatic view, there was no contradiction in "Five-Power" being phased out as the neutralization scheme was being phased in. Nor was the announcement in October 1975 that the strength of the armed and security forces was to be increased linked to any external threat. In announcing it, Datuk Hussein Onn explicitly referred to the internal security threat from subversion.[52] The main possible danger from the changes in Indo-China was not explicitly stated: that the victorious regimes might encourage or aid guerilla activities inside Malaysia.

[48] *The Star,* 23 June 1975; *Malaysian Business,* February 1976, p. 22 (Tan Sri Ghazali Shafie). In April 1976 broadcasts were heard attacking the pro-Peking MCP (Communist Party of Malaya). They were identified as coming from a pro-Soviet Marxist-Leninist faction, probably located in Vietnam (*New Straits Times,* 23 April 1976).

[49] Noordin Sopiee, "Ties with Peking: the Issues and the Promise", *Straits Times* (Malaysia), 21 May 1974.

[50] Tun Razak, ibid., 5 May 1975; Tan Sri Ghazali Shafie, "The Great Domino Fallacy", ibid., 7 and 8 May 1975; *Far Eastern Economic Review,* 25 April 1975, pp. 36-9.

[51] T.B. Millar, "Prospects for Regional Security Cooperation in Southeast Asia", Zacher and Milne, eds., op. cit.

[52] *New Straits Times,* 18 October 1975.

ASEAN

The regional medium through which the neutralization proposal was to be achieved was ASEAN (Association of Southeast Asian Nations), the successor to ASA.[53] There were, however, important differences between the two. ASEAN, unlike ASA, included Indonesia (as well as Singapore, which had then become independent). Its credibility as a politically-neutral body was more impressive than ASA's, because of Indonesia's well-known history of opposition to neo-colonialism. It was also, like ASA, but unlike SEATO and ASPAC,[54] "indigenous" in the sense that it was composed wholly of nations in the area. After signing the joint declaration establishing ASEAN in August 1967, Tun Razak made it increasingly clear that the Southeast Asian countries needed to come together to prevent external intervention and interference. They must fill the vacuum left by the colonialists, now departing, by their collective endeavours.[55]

The ASEAN Declaration laid down seven "aims". The first referred to the acceleration of economic growth, social progress and cultural development in the region. The second was to "promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries of the region and adherence to the principles of the United Nations Charter". The remaining aims, like the first, were predominantly economic, social and cultural.[56] In spite of this, until 1975 the greatest progress was made politically in promoting the neutralization issue, while achievements in the economic field were few. On one estimate, from 1967 until 1975, only a quarter of the projects approved were implemented. Even then, "too many of them consist of discussional meetings or informational seminars, talking of the nuts and bolts of cooperation, not of actually assembling them, still less getting the machine off the ground."[57]

The slow progress on the economic side was rectified at the Summit

[53] Bernard K. Gordon, *Toward Disengagement in Asia: a Strategy for American Foreign Policy* (Englewood Cliffs, N.J., 1969), pp. 111-30.

[54] Asian and Pacific Council, formed in 1966, explicitly aimed at safeguarding independence against communist aggression or infiltration, but which never really became established. Its members were Australia, Japan, South Korea, Malaysia, New Zealand, the Philippines, Taiwan, Thailand, South Vietnam.

[55] *Straits Times,* 9 August 1967.

[56] Ibid.

[57] *New Straits Times,* 19 May 1975 (Editorial).

meeting of ASEAN heads of governments in Bali, in February 1976. The Summit, the first meeting at this high level since ASEAN's foundation in 1967, produced a Treaty of Amity and Cooperation and a Declaration of ASEAN Concord.[58] Substantively, one of the achievements was in strengthening the organization by agreeing on possible procedures to resolve disputes among members (for example, a revived Sabah claim), and in setting up a Secretariat in Jakarta with Lieutenant-General Dharsono of Indonesia as Secretary-General. There was also a reference, in the Declaration, towards taking the necessary steps to securing recognition of, and respect for, the zone of peace, freedom, and neutrality. However, the biggest breakthrough was in the economic field. This was in spite of profound disagreement between Singapore, supported by the Philippines, and Indonesia on the establishment of a free trade zone. Previous meetings of ASEAN representatives, at lower levels, had agreed that "preferential trade arrangements" were a long-term objective. However, Indonesia was opposed to any immediate measures, such as a Singapore proposal for a 10 per cent cut in tariffs,[59] because of the ease with which Singapore could penetrate her market of 130 million. Consequently, the only action taken in this sphere was once again to approve the long-term objective, and decide that a meeting of Economic Ministers, to be held the next month, would discuss the "instruments" to be employed in the preferential trading arrangements. The Economic Ministers were also to formulate measures for initiating cooperation in setting up large-scale industrial projects for meeting the region's requirements for essential commodities. Potentially, this was the most important decision made at the Summit, for if agreement could be reached on the allocation of industrial plants among ASEAN countries, advantage could be taken of economies of scale, and increased trade built up in the region that would not have been possible while the products of each country were mostly competitive with those of the others. Other economic topics were covered, including cooperation in increasing supplies of food and energy, and (important for Malaysia's rubber export policy) giving priority to price stabilization through commodity agreements and buffer stock schemes.

[58] Ibid., 25 February 1976; Noordin Sopiee, "What Really was Gained at the Bali Summit", ibid., 1 March 1976; *Foreign Affairs Malaysia,* Vol. 9, No. 1 (1976), pp. 6-28.

[59] *New Straits Times,* 5 February 1976; *New Sunday Times,* 22 February 1976. An agreement providing for some tariff cuts was signed a year later (*New Straits Times,* 25 February 1977).

When the Economic Ministers met in Kuala Lumpur in March 1976, as well as approving rather long-term measures for trade cooperation, they agreed that four types of "moderate-sized" industries should be developed: urea in Indonesia and Malaysia; superphosphates in the Philippines; diesel engines in Singapore; soda ash in Thailand. Allocation to countries did not rule out cooperation; preference was to be given for promotion on a joint ASEAN basis—either government-to-government or through government agencies with the host country holding the majority share.[60]

It was a stated purpose of ASEAN, after the end of the war in Indo-China, to persuade the governments in that area (as well as Burma) to join the organization.[61] The "treaty" drawn up at the Summit in February 1976 included the provision (Article 18) that it would be open for accession by other states in Southeast Asia.[62] The response was discouraging. As early as 6 December 1972 Hanoi radio described ASEAN as "a reactionary alliance conceived by US imperialism". During the Summit conference, there were similar attacks in Hanoi newspapers, directed particularly at Indonesia, and accusing the USA and reactionary forces in the area of opposing patriotic and progressive (subversive) movements in Southeast Asia.[63]

A more promising response came from Vietnam in July 1976 when Vice-Premier Phan Hien said that his country was not opposed to joining ASEAN but that the time was not yet opportune. He also gave assurances that Vietnam was not selling or distributing arms to the insurgents in Malaysia.[64] A month later, however, at the Non-Aligned Summit Conference in Colombo, Laos moved an amendment to the ASEAN proposal for a zone of peace, freedom, and neutrality in Southeast Asia. In doing so, Laos, backed by Vietnam, attacked the presence of United States military bases in the area, characterized ASEAN as a military bloc, and cast doubt, via a comparison with the Indo-Chinese countries, on the genuine independence of the ASEAN

[60] Ibid., 10 March 1976.

[61] For example, at the Eighth ASEAN Foreign Ministers' Conference, Kuala Lumpur, 1975 (ibid., 14 May 1975). In 1973 General Ne Win said Burma could not join until all US bases were withdrawn from Thailand and all ASEAN members had recognized China (*Far Eastern Economic Review,* 11 March 1974, p. 24).

[62] *New Straits Times,* 25 February 1976.

[63] Ibid., 23 February 1976 and 1 March 1976.

[64] *Far Eastern Economic Review,* 16 July 1976, p. 12, 30 July 1976, p. 11.

members.[65] Thus, the attitudes of the Indo-Chinese countries towards ASEAN did not seem settled, but left much scope for anxiety.

Enlarging the membership of ASEAN to include the Indo-Chinese states was linked to the question of defence. Ever since the foundation of the organization, Indonesia was the member most anxious to exclude the military presence of the Great Powers from the area, the most publicly aware of Chinese influence over subversive movements, and, from 1975 onwards, the most apprehensive of aggression by Indo-Chinese states on ASEAN states. However, although President Suharto in the opening address to the Summit meeting referred to the need to consider regional security while stopping short of a military pact, the "Declaration" contained no provision for collective action on security. It *did* refer to a continuation of cooperation on a non-ASEAN basis,[66] and also stated that each member would resolve to eliminate threats posed by subversion. Datuk Hussein Onn was opposed to the idea of ASEAN being a security organization, and saw economic cooperation as the most vital area. Security could be dealt with, outside ASEAN, by countries on an individual basis. Furthermore, the Indo-Chinese states had to be convinced that ASEAN was an economic rather than a military group. "He said it would be self-defeating for ASEAN to talk of a military pact while striving to implement the neutrality concept as this would only make the neighbouring nations of ASEAN wonder whether such a pact was directed at them or not."[67] However, an implication might be that, if the Indo-Chinese states continued to stand aloof from ASEAN, the pressures for ASEAN countries to interest themselves in defence questions would grow, even if cooperation were limited largely to bilateral arrangements.

Relations with Neighbouring Countries

Necessary conditions for the success of ASEAN are the reduction of tensions among its members and the practice of collaboration among

[65] *New Straits Times,* 18, 19 and 20 August 1976; *New Sunday Times,* 22 August 1976; *Far Eastern Economic Review,* 10 September 1976, pp. 10-12. However, in March 1977 Deputy Prime Minister Ieng Sary of Cambodia paid a friendly visit to Malaysia (ibid., 29 April 1977, pp. 11-12).

[66] *New Straits Times,* 24 and 25 February 1976. As an example, Noordin Sopiee ("What Really was Gained at the Bali Summit", op. cit.) refers to the annual meetings of the intelligence chiefs of ASEAN states outside the ASEAN framework. Defence cooperation involving only two states is difficult enough. The only outstandingly successful example is between Malaysia and Indonesia.

[67] Ibid., 24 and 26 February 1976 and 9 March 1976.

them. The first requirement is largely satisfied, at least as far as Malaysia's relations are concerned. Confrontation with Indonesia left no lasting ill effects. Relations with Thailand are good but are soured by the existence of Muslims in south Thailand, which has sometimes occasioned sympathetic public statements by PAS leaders.[68] The Sabah claim by the Philippines is dormant, maybe dead. The more recent Philippine "claim", that Tun Mustapha was aiding the Muslim rebels in Mindanao, should no longer apply since Tun Mustapha apparently lost effective power after the 1976 Sabah elections. Relations with Singapore improved after the major shock of 1965, and the subsequent "mini-separations" of currency (1967), airlines (1971), stock markets, currency interchangeability, and rubber markets (1973), did not prevent a gradual improvement. Time healed the initial wound of separation; and Singapore's viability as an independent country was established. British and American withdrawal from the area made it obvious that the two countries' defence interests were complementary. Successful collaboration, however, is much rarer. It is not easy to think of a good example of Malaysian collaboration with the Philippines; military collaboration with Thailand, on the border, has not been outstandingly successful, and has led to friction, but, in late 1976, it took a turn for the better. In contrast to this the Indonesian Defence Minister, General Panggabean, praised Indonesian-Malaysian defence cooperation, especially in Kalimantan/Borneo, and recommended it as a model to other Asian nations. The two countries also worked together effectively on the establishment of a new spelling system (1972) and in arriving at an approach to a joint policy on the passage of ships in the Straits of Malacca.[69] Collaboration has also been good between Malaysia and Singapore. Much of it is not highly institutionalized but results from informal contacts promoted by geography and history. Tun Razak said in Parliament in 1974 that the two countries had the closest relations on security, but that it was not necessary to have a formal coordinating body on the subject.[70] Informal visits and consultation also take place on such topics as civic organizations, pollution and housing.[71]

[68] *Straits Times* (Malaysia), 22 June 1974.

[69] "Straits of Malacca and Singapore—a Joint Statement", *Foreign Affairs Malaysia,* Vol. 4, No. 1 (1971), p. 54. The two countries held a joint air exercise in February 1977 (*New Straits Times,* 22 February 1977).

[70] *Straits Times* (Malaysia), 20 May 1974.

[71] M.G.G. Pillai, "Mending the Fence", *Far Eastern Economic Review,* 31 December 1973, pp. 11-12.

A recent source of tension in the area concerns Brunei,[72] a state which is not in ASEAN but which might have been part of Malaysia if the negotiations in 1961-63 had been successful. After the abortive rebellion of 1962, parties were banned in the state. Malaysia has been sympathetic to members of the Partai Rakyat, Brunei, as representing the people's fight for independence. Malaysia moved a Resolution in the United Nations that Britain, the administering power, should facilitate the holding of free and democratic elections in Brunei, which was passed by 84 to none with 14 abstentions. The issue has been complicated by the reluctance of the present Sultan to hold elections, and the claim by his father, the old Sultan, to the Sarawak territory of Limbang, which has been aggressively contested by the Sarawak Chief Minister, Datuk Patinggi Haji Abdul Rahman Yakub. Also relevant are British, Japanese and other countries' economic interests in Brunei, and British influence in the state, formally confined to responsibility for its external affairs, but alleged by the Partai Rakyat to extend to internal policy.

To summarize, in the last decade Malaysian foreign policy has been marked by the following features: a shift from reliance for defence on Britain, Australia, New Zealand and, indirectly, the United States towards concentration on the region and on neutrality; close rapprochement with Indonesia; expression of solidarity with other Muslim nations; closer identification with organizations of primary producers, especially on rubber and tin prices.

Internal Security: Guerilla Activity

The "Declaration" issued at the ASEAN Summit in February 1976 placed action against "subversion" high in its list of priorities. This was a real problem in Malaysia, although not to the same extent as in Thailand. Guerilla activity in Sarawak had received a fillip from Confrontation, and continued in the late 1960s long after there was comparative quiet in Peninsular Malaysia. Ironically, the end of Confrontation, followed by military cooperation between Malaysia and Indonesia along the Sarawak-Kalimantan border, had the effect of driving guerillas away from the border and into Sarawak itself, where, in the Third Division, terrorism reached a peak in late 1969, and in 1970-71.[73] However, the Sarawak Communist Organization

[72] Z.H. Ahmad, "Brunei at the Cross-roads", *New Sunday Times,* 14 December 1975.

[73] *The Threat of Armed Communism in Sarawak* (Kuala Lumpur, 1972); Michael B. Leigh, *The Rising Moon: Political Change in Sarawak* (Sydney, 1974), pp. 156-60.

(SCO) still had problems in inducing the indigenous population to support it, and it lost strength when the communist-infiltrated SUPP joined the Government in 1970. In March 1974 the Chief Minister, Datuk Yakub, pulled off a coup (operation Sri Aman) by persuading one of the SCO leaders, Bong Kee Chok, to surrender with 481 followers, about 75 per cent of the total communist force.[74]

Later surrenders brought the total roughly to 80 per cent. Those who gave up were well treated, and by the end of February 1975 their rehabilitation had cost three and a half million dollars. By May 1975, practically all who had been detained had been freed.[75] The *Far Eastern Economic Review*[76] sounded a note of caution, suggesting that possibly the surrender had been strategic; those who had not surrendered would be given time to regroup, and later the "reformed" guerillas would return to the jungle and join them. To be sure, the operation did not go entirely as planned; the Chief Minister blamed the remainder of the communist terrorists for not having surrendered a week after the others, as had been agreed.[77] On the other hand, although some Sarawak terrorists who had given themselves up returned to the jungle, none did so immediately after the American defeat in Vietnam.[78]

It would be wrong to believe that the communists in Sarawak had necessarily given up for good. Some people thought in 1960 that they had heard the last of the communists in Peninsular Malaysia. However, this was not so; in the words of Tan Sri Ghazali Shafie, paraphrasing Lenin, what they did was to take one step back in order to take two steps forward.[79] There was indeed a lull in Malaya after 1960,[80] but communist activity persisted.[81] As mentioned earlier,

[74] *New Straits Times,* 5 March 1974.

[75] *New Sunday Times,* 4 May 1975.

[76] 4 April 1975, pp. 24-5.

[77] *New Straits Times,* 16 January 1975.

[78] Ibid., 8 July 1975 (Tan Sri Ghazali Shafie). In April 1976 Tan Sri Ghazali said that subversion had ceased to be a threat to the security of Sarawak (ibid., 8 April 1976).

[79] Ibid., 24 February 1976.

[80] Frances L. Starner, "Communism in Singapore and Malaysia: a Multifront Struggle", *The Communist Revolution in Asia,* R. Scalapino, ed. (Englewood Cliffs, N.J., 1969).

[81] *The Path of Violence to Absolute Power* (Kuala Lumpur, 1968); *The Resurgence of Armed Communism in West Malaysia* (Kuala Lumpur, 1972).

China's support for the rebels was of prime concern to Malaysia, and was an important factor in delaying a visit to China and in the discussions which took place once the visit had been agreed upon. The situation was complicated, however, by the fact that China's role was through the party and not the government, and that support took the form of propaganda, and of moral and financial assistance, not the provision of men or arms. Also, some of the guerillas were pro-Soviet Union and not pro-China. However, Tun Razak's China visit had an immediate, and unwelcome, repercussion. Presumably to show that they were undaunted by the visit and to confirm that it had not cut the ground from under their feet, on 23 May 1974 about a hundred terrorists planted explosives which blew up earth-moving equipment, valued at ten million dollars or more, on the East-West Highway near Grik, North Perak.[82]

The Malayan Communist Party was in fact divided, as documents captured by the Government revealed. Piecing together a complicated story, the party was split both in 1970 and in 1974. The original group, the MCP (CPM), which is supported by Peking, is still the strongest numerically, with an armed wing called the Malayan National Liberation Army, and a political wing called the Malayan National Liberation League. The CPM (Revolutionary Faction), with an armed wing renamed the Malayan People's Liberation Army (MPLA), was set up in February 1970, after rejecting a directive by the MCP Central Committee to liquidate recent recruits as "enemy spies". The CPM (Marxist-Leninist) was established on 1 August 1974, with an armed wing, also called Malayan People's Liberation Army (MPLA), and a political wing, the Malayan People's Liberation League (MPLL).[83] The three factions are bitterly opposed to one another, and armed clashes have occurred between the first and third factions.[84] The first, the CPM, was responsible for the attack on the East-West Highway. In general, however, the two other groups have been the most militant in attacks on government personnel and buildings.[85] Officially, the numbers in the three factions plus other smaller units were said to total over two thousand: the biggest ethnic groups are 732 Malaysians

[82] Once the highway is completed and the area is settled, partly by ex-policemen, it will constitute a barrier to communist activity (*Far Eastern Economic Review*, 4 July 1975, p. 10).

[83] *New Straits Times*, 23 and 24 October 1974 and 2 November 1975.

[84] Ibid., 1 March 1976.

[85] Ibid., 28 October 1975 (Tan Sri Ghazali Shafie).

of Chinese origin, 661 Thais of Chinese origin, 509 Thai Muslims and 107 Malaysians of Malay origin. The communists, as in 1948-60, have still failed to recruit a sizeable percentage of Malays.[86] There are no reliable estimates of the numbers who help active insurgents, as opposed to being active themselves. However, according to the head of the Psychological Warfare Section, Encik C.C. Too, these helpers are usually intimidated rather than indoctrinated, and are drawn from Chinese secondary school graduates in such occupations as small farmers, loggers, taxi-drivers, hawkers, and squatters.[87]

The Government has not been unsuccessful in its efforts against the guerillas. From 1973 to 1975, 150 terrorists were killed, 96 captured and 709 surrendered.[88] The bases have all been in Thailand, not Malaysia. However, in February 1976, about 250 terrorists had filtered across the border, and clashes between the factions could lead to the conflict spilling into Peninsular Malaysia.[89] Unfortunately, the cooperation from Thailand in controlling communists on its side of the border was not very effectual, and in mid-1976 there was a sharp disagreement on the role of Malaysian forces operating just inside Thailand.[90] Prospects of cooperation improved after the change of government in Thailand in October 1976. In March 1977 a new border pact was signed providing for Malaysian troops crossing into Thailand if in "hot pursuit" of guerillas.

From the second half of 1975 onwards, the communist thrust had assumed two distinctive characteristics. The concentration of effort was in Perak, which was recognized as crucial by the country's political leaders. Another was the spread of communist activity to urban areas.[91] Inside three months there was a bomb attempt to destroy the National Monument, a grenade attack on a Police Field

[86] *New Sunday Times,* 8 February 1976. In August 1976 the numbers of insurgents were estimated at 2,654 (*Far Eastern Economic Review,* 8 October 1976, p. 22).

[87] *New Straits Times,* 13 February 1976; *Far Eastern Economic Review,* 13 February 1976, pp. 11-12. Making more land available to the Chinese in New Villages may reduce the number of "sympathizers".

[88] *New Straits Times,* 5 February 1976.

[89] *New Sunday Times,* 8 February 1976; *New Straits Times,* 1 March and 8 April 1976. Later, a figure of 300 was given (ibid., 28 June 1976).

[90] *Far Eastern Economic Review,* 14 May, pp. 10-12, 21 May 1976, pp. 12-13, 18 June 1976, pp. 8-10, 27 August 1976, pp. 34-5.

[91] Ibid., 12 September 1975, pp. 10-11.

Force Platoon Headquarters in Kuala Lumpur, and the fatal shooting of the Chief Police Officer of Perak.[92]

A new dimension of the security problem was revealed when two prominent Malay newspapermen were detained in June 1976—Samad Ismail, managing editor of the *New Straits Times,* and Mohamed Samani, assistant editor of *Berita Harian* (Malaysia). The two, arrested after confessions by Singapore journalists previously arrested in Singapore, confessed having supported the communist struggle, among other things by influencing some younger UMNO leaders.[93] The exact nature and effects of the influence were not spelt out. What was disquieting was the revelation of communist influence on Malays, particularly those in the ruling party. The arrests contributed to the anti-communist mood of the UMNO General Assembly held a few days afterwards, and were soon followed by the arrest of six politicians, two of whom were UMNO Deputy Ministers.[94]

Security Measures

The Government recognized the seriousness of the challenge. At the end of October, Tun Razak began a wide-ranging speech to a conference on investment by referring to the security situation. In March 1976, Datuk Hussein Onn said that his main task would be to take charge of the nation's security, and that this would supersede all his other responsibilities.[95] Government measures included imposing a curfew in some areas, and increasing the strength of the armed forces and the police. The strength of the police force, run down after the end of the Emergency in 1960, was to be expanded by 20,000 members, and both the Police Field Force, concerned with anti-terrorist operations, mostly in the jungle, and the Special Branch were to be reorganized.[96]

[92] *New Straits Times,* 27 August 1975, 4 September 1975 and 14 November 1975. There were other incidents, many resulting from the explosion of homemade "rockets".

[93] Ibid., 23 and 26 June 1976; *Far Eastern Economic Review,* 2 July 1976, pp. 8-9, and 17 September 1976, pp. 8-10.

[94] See pp. 216-18.

[95] *New Straits Times,* 8 March 1976.

[96] Ibid., 21 and 25 November 1975. In May 1976 there was a big improvement in the police scales of pay. Another indication of the gravity of the security issue was that in the King's 1976 honours list, out of 863 awards 276 went to the armed forces and 144 to the police (ibid., 2 June 1976). At the end of 1976 Datuk Hussein Onn announced that a third army division would be raised (ibid., 22 December 1976). On the army,

The new measures included sweeping changes in the law for trying offences against national security. There was to be trial without jury, protection of witnesses by concealing their identity, and placing on the accused the onus of proving his innocence. The Bar Council expressed concern over the possible abuse of these provisions, and the Government announced safeguards including the establishment of a special Pardons Board.[97] Later, the Government proposed, by constitutional amendment, to withdraw from persons against whom security measures had been taken, certain civil liberties, such as the right to counsel and knowing the grounds of arrest. However, after criticism by the Bar Council and others, the proposal was withdrawn.[98]

Finally, a new Rukun Tetangga (principle of community self-reliance) scheme was announced. The scheme would be compulsory for able-bodied men, aged 18-25, in areas designated by the Government. Members would be responsible for patrol and guard duties and checking on the movement of persons from one sector to another.[99] By the end of 1975 nearly a million persons were involved.[100] As well as fulfilling a security function, the organization was also thought of as helping to combat crime and to promote national unity. The Rukun Tetangga was distinct from the existing Malaysian People's Volunteer Corps (Rela),[101] which was armed, limited to fewer areas, and smaller in numbers.

In the mid-1970s, however great the importance of foreign policy as a means of trying to ensure long-term security, the immediate and vital threat was internal.

generally, see Cynthia H. Enloe, "Civilian Control of the Military: Implications in the Plural Societies of Guyana and Malaysia", *Civil Control of the Military: Theory and Cases from Developing Countries,* Claude E. Welch, Jr., ed. (Albany, N.Y., 1976).

[97] On the Essential (Security Cases) Regulations, see *New Straits Times,* 3 and 9 October, 20 November and 20 December 1975; Lim Kit Siang, *Press Statement: Pejabat Ketua Pembankang Parlimen, 5 November 1975.* The validity of the Regulations was upheld by the Federal Court (*New Straits Times,* 15 August 1976).

[98] Ibid., 13 July 1976.

[99] Ibid., 11 September 1975; *New Sunday Times,* 28 September 1975.

[100] *New Straits Times,* 29 December 1975.

[101] Ikatan Relawan Rakyat Malaysia, which had existed during the Emergency and Confrontation, and which was reorganized in 1972.

10
ECONOMICS AND POLITICS: THE NEW ECONOMIC POLICY

The "New Economic Policy" (NEP), formulated and announced soon after the events of 13 May 1969, had several political aspects. It was political disturbances which had stimulated a rethinking of economic policy. Also, the NEP's main characteristic was an expansion of government direction of the economy in order to increase and reallocate certain values and goods, an eminently political process. Its ultimate goal was also political—the attainment of national unity.

Origins of the NEP

In spite of its name, the NEP was not entirely new. In some respects, it merely continued policies which had begun before. What was different was that the policies were now linked together and stated as a coherent whole,[1] and that a much more determined effort was made to implement them. Although independent Malaya obtained good returns from the export of rubber and tin, and was not subject to the same pressures to industrialize as some other countries in Southeast Asia, nevertheless as early as 1958 industrialization had been encouraged by giving pioneer industries relief from taxation.[2] This had been accompanied by a slow process of "Malayanization" aimed at reducing the number of foreign executives in business and replacing them by Malayans. Also, even under British rule, it had been recognized that something ought to be done to get more Malays, as distinct from Malayans, into business. A directive issued to General Templer when he was appointed High Commissioner in February 1952 said that the "ideal of a united Malayan nation does not involve the sacrifice by any community of its traditional culture and customs, but before it can be fully realized the Malays must be encouraged and assisted to play a full part in the economic life of the country, so that

[1] As compared, for example, with the provisions of Section 153 of the Constitution (see ch. 3) which had been taken over from the practice under the British.

[2] See Tun Tan Siew Sin's speech on the "Pioneer Industries (Relief from Income Tax) Bill 1958" in the Legislative Council on 30-31 July 1958, reproduced in his *Blueprint for Unity* (Kuala Lumpur, 1972), pp. 112-26.

the present uneven economic balance may be redressed.''[3] The same ideal of balance, which was to figure so prominently in the New Economic Policy, and even in the *dacing,* the symbol of the National Front, was also implicit in the bargain between Malay and Chinese elites which preceded Independence. However, for the most part, until 1969 the balance tended to be thought of in terms of balancing the interests of the urban and the rural areas of the country. This was the way the issue was phrased in, for example, the Alliance election manifesto of 1964. So government economic policy concentrated on helping the Malays through programmes which would uplift the rural areas, and was implemented through the rural development machinery described in chapter 8. From the party political point of view, this was also vital to retaining the Malay vote for UMNO. As a result, schemes for land settlement were set up, the most elaborate of which was the Federal Land Development Authority (FLDA, later FELDA), begun in 1956. Another body, the Rural and Industrial Development Authority (RIDA), had a varied career after its start in 1950. Its functions, as redefined in 1953, "to stimulate, facilitate and undertake social development . . . particularly in the rural areas'' were felt to be too diffuse, and in 1965 it was again reorganized and also renamed MARA (Majlis Amanah Ra'ayat, or Council of Trust for the Indigenous People). Its five divisions were concerned with: transport; commerce and industry; training; technical services; credit finance.[4] Other organizations were created, including, in 1965, the Federal Agricultural Marketing Authority (FAMA), as well as some organizations for supplying agricultural credit, notably Bank Bumiputra (1965).

Although the emphasis was on correcting urban-rural imbalance by encouraging rural development, steps were also taken to help Malays play a larger role in industry and commerce. Early in 1963 the Assistant Minister of Commerce and Industry was drawing up schemes to help Malays in business.[5] Later, in March 1965, Tun Razak announced that small, and possibly medium-sized, industries would be established in rural areas.[6]

[3] J.B.P. Robinson, *Transformation in Malaya* (London, 1955), pp. 182-3.

[4] On RIDA and MARA see: Gayl D. Ness, *Bureaucracy and Rural Development in Malaysia* (Berkeley, 1967); J.H. Beaglehole, "Malay Participation in Commerce and Industry: the Role of RIDA and MARA", *Journal of Commonwealth Political Studies,* Vol. VII, No. 3 (1969), pp. 216-45.

[5] *Straits Times,* 31 January 1963.

[6] Ibid., 12 March 1965.

Two Bumiputra[7] Economic Congresses, in 1965 and 1968,[8] provided an interesting example of consultation and feedback. They were government-sponsored, but many of the items which the Government introduced for discussion were chosen because some Malay organizations or individuals were known to be concerned about them. In turn, the criticisms and suggestions made at the Congresses influenced the form which government policy took. The Congresses discussed and approved the creation of such bodies as Bank Bumiputra and PERNAS (a state trading organization), and the reform of RIDA and its being renamed MARA. Some proposals went beyond current government policy into the realms of the future NEP; in 1968, for instance, the suggestion was made that 40 per cent of the products of the firm of Dunlop must be distributed via a bumiputra distribution company.[9] This paralleled, but exceeded, a general 30 per cent requirement under the NEP laid down some eight years afterwards.

However, the achievements of these programmes were not large. RIDA was not tough enough in its lending policy, and some of its financing resembled handouts. Perhaps its main importance was to make visible the Government's acknowledgement of its obligation to help the Malays in business.[10] Also, apart from the instruments and methods chosen, there were limits to what the Government was prepared to do to help Malays in business or to place limits on free enterprise. The rights of non-Malays were cited to explain the constraints on its policy.[11] Similarly, when just after Independence there were evident difficulties in finding trained Malays or in training

[7] There is no legal definition of *bumiputra* (sons of the soil), but the term is used to mean the Malays and the natives of the Borneo states (Tan Sri Abdul Kadir Yusof, Attorney-General, in the Dewan Rakyat, *Straits Times* (Singapore), 24 July 1974). The Second and Third Malaysia Plans often refer simply to "Malays" or "Malays and other indigenous peoples"

[8] *Konggeres Ekonomi Bumiputra Kedua, Memorandum Dari Persaorangan* (Kuala Lumpur, 1968). The subjects discussed included both business and agriculture. See also Tham Seong Chee, "Ideology, Politics and Economic Modernization: the Case of the Malays in Malaysia", *Southeast Asian Journal of Social Science,* Vol. 1, No. 1 (1973).

[9] *Konggeres Ekonomi Bumiputra Kedua,* op. cit., p. 32. PAS also made general proposals for reserving shares of business activities for Malays.

[10] Mahathir bin Mohamad, *The Malay Dilemma* (Singapore, 1970), pp. 40-1.

[11] *Straits Times,* 2 January 1965.

Malays, the Government's view seemed to be that it could do no more, unless there was an adequate response from the Malays themselves.[12]

The despair of bumiputras who wished to enter industry or commerce was well portrayed in 1967 by a Malay, employed by MARA, who later became Mentri Besar of Negri Sembilan. He saw them as having a defeatist attitude, so that it was well nigh impossible for them to enter business successfully. ". . . Bumiputras are in disarray and diffident, dismayed and behaving like foreign interlopers in the urban non-Bumiputra commercial and industrial life . . ." They had "seen so many failures in the face of stiff competition from a strongly-entrenched 'enemy' . . ."[13]

The violence which occurred in May 1969 was an unmistakable indication that change was needed. But what kind of change? The Government, which was primarily Malay-based, read the signs as indicating Malay economic discontent, which had to be alleviated. To this extent the New Economic Policy was a response to what was believed to be a political manifestation of an economic ill. In a wider sense, however, the NEP was part of a consistent policy package which included, for the short term, NOC rule, and, for the longer term, constitutional amendments, the Rukunegara and the formation of the National Front. The Government, and in particular Tun Razak, believed that a new note of realism had to be struck. Before 1969 an "avoidance model" was in operation which ensured that, where possible, public discussion of conflict-laden communal issues was avoided.[14] This led to ambiguity about government policy, which, it was believed, reduced conflict. The new realist approach also avoided discussion, but additionally avoided ambiguity. Issues, including economic issues, were no longer swept under the carpet. Some years before 1969, surprise was expressed that economic policy ". . . is not generally a matter of disagreement. Since one of the main avowed aims of policy is the raising of the relative economic aims of the Malays, this is, superficially at least, surprising. It suggests that the non-Malays do not take very seriously the risk of major institutional

[12] Tun Tan Siew Sin in the Legislative Council, 1 May 1958, reproduced in Tun Tan Siew Sin, op. cit., pp. 127-39.

[13] Mansor bin Othman, "MARA—its Role in Education and the Development of Attitudes", *Development Forum,* Vol. 1, No. 1 (1967), p. 19.

[14] Milton J. Esman, *Administration and Development in Malaysia* (Ithaca, 1972), pp. 258-61.

changes—internal discriminations and preferences such as have been introduced in Indonesia and the Philippines . . .''[15] The New Economic Policy was in fact an example of indigenous economic nationalism[16] as practised in these two countries, but which was necessarily much more complex because of the high proportion of non-Malays in Malaysia.

The Government was now convinced that economic growth was not enough. It still emphasized the importance of a rising GNP, and followed an ''aggressive approach'' to increasing investment in industry.[17] But if growth was achieved through unregulated competition the Malays would suffer. This was seen both by foreign observers[18] and by Malays who were knowledgeable about politics and business, such as Tan Sri Jaafar Albar, who denounced free enterprise at the Second Bumiputra Economic Congress in 1968. The inference was that, since the Malays felt they could not benefit from operating under a competitive system, the system would have to be changed. Consequently, the Government was intent on discovering and dealing with imbalances. Every policy was looked at, not only from cost and efficiency aspects, but also from the angle of ethnic imbalance. Where obvious imbalances were discovered, government action was invoked to restructure the conditions which had produced the imbalance. Before 1969, there had been moderate expansion of the (non-Malay) commercial and industrial sectors but also emphasis on the (Malay) rural sector. If there had been no concern about racial imbalance then the most ''rational'' economic programme would have been one which expanded the industrial and commercial sectors in preference to the agricultural sector.[19] As it was, the NEP provided for relatively rapid expansion of the ''advanced'' sectors, but, since there *was*

[15] T.H. Silcock, ''Communal and Party Structure'', *The Political Economy of Independent Malaya,* T.H. Silcock and E.K. Fisk, eds. (Singapore and Canberra, 1963), pp. 14-15.

[16] F.H. Golay, R. Anspach, M.R. Pfanner and E.B. Ayal, *Underdevelopment and Economic Nationalism in Southeast Asia* (Ithaca, 1969).

[17] Particularly via the new Capital Investment Committee under Tun Tan Siew Sin (*Malaysia: a New Industrial Development Strategy* (Kuala Lumpur: FIDA, 1969)).

[18] Esman, op. cit., pp. 41, 55, 254-5; E.L. Wheelwright, *Industrialization in Malaysia* (Melbourne, 1965), p. 110; James Puthucheary, *Ownership and Control in the Malayan Economy* (Singapore, 1960), p. 180.

[19] Katharine West, ''Stratification and Ethnicity in 'Plural' New States'', *Race,* Vol. XIII, No. 4 (1972), p. 492.

concern about racial imbalance, it also expanded the role of the least economically-advanced people (the Malays) in these sectors.

The New Economic Policy: Aims, Targets and Implementation

The New Economic Policy was not produced by any single person or group of persons in the Government. Among politicians it bore the decisive imprint of Tun Razak and reflected the thought of Tan Sri Ghazali Shafie. The civil servants and others who hammered it out were not all situated in the government offices which might obviously have been expected to produce new and significant economic policies, but were sometimes drawn into the operation on the basis of personal ties and interest in the subject. The first formal large-scale expression of the NEP was in the *Second Malaysia Plan 1971-1975*[20] (SMP), but many of the details and statistics were not supplied until two years later, in the *Mid-Term Review of the Second Malaysia Plan 1971-1975*.[21] The Third Malaysia Plan was published in mid-1976.[22] Even to summarize the NEP as contained in the SMP would be impossible, and many of the details are of economic, rather than political, interest. However, the first chapter of the SMP makes some essential points: "National unity is the overriding objective of the country." It is "unattainable without greater equity and balance among Malaysia's social and ethnic groups in their participation in the development of the country and in the sharing in the benefits from modernization and economic growth. National unity cannot be fostered if vast sections of the population remain poor and if sufficient productive employment opportunities are not created for the expanding labour force . . . The Plan incorporates a two-pronged New Economic Policy for development. The first prong seeks to reduce and eventually eradicate poverty, by raising income levels and increasing employment opportunities for all Malaysians, irrespective of race. The second prong aims at accelerating the process of restructuring Malaysian society to correct economic imbalance, so as to reduce and eventually eliminate the identification of race with economic function. This process in-

[20] Kuala Lumpur, 1971. Its immediate predecessor was the First Malaysia Plan, which was preceded by two Malayan Plans, also for five years each. On the previous plans see Karl von Vorys, *Democracy Without Consensus: Communalism and Political Stability in Malaysia* (Princeton, 1975), ch. 9. On the origins of the SMP see ibid., pp. 400-6.

[21] Kuala Lumpur, 1973.

[22] *Third Malaysia Plan 1976-1980* (Kuala Lumpur, 1976), referred to as "TMP".

volves the modernization of rural life, a rapid and balanced growth of urban activities and the creation of a Malay commercial and industrial community in all categories and at all levels of operation, so that Malays and other indigenous people will become full partners in all aspects of the economic life of the nation. The New Economic Policy is based upon a rapidly expanding economy which offers increasing opportunities for all Malaysians, as well as additional resources for development. Thus in the implementation of this Policy, the Government will ensure that no particular group will experience any loss or feel any sense of deprivation.''[23]

The rest of this chapter looks at the operation of the two prongs of the NEP and at the political implications. Little will be said about the agricultural aspects of the NEP, although these are important. Land development has continued, both through the Federal Land Development Authority, now known as FELDA, and other bodies.[24] Some large land or irrigation schemes are run by separate governmental bodies, such as the Pahang Tenggara Development Authority (DARA), or the Muda Agricultural Development Authority (MADA). Numerous other agricultural organizations are important for the success of the NEP, including, to mention only a few, the Malaysian Agricultural Research and Development Institute (MARDI), the National Padi and Rice Authority (LPN), the Rubber Industry Smallholders Development Authority (RISDA), the Malaysian Rubber Development Corporation (MARDEC), Food Industries of Malaysia (FIMA), the Fisheries Development Authority (MAJUIKAN), the Livestock Development Corporation

[23] *SMP,* pp. 1, 3 and 4. See also: Tun Razak, *National Unity Through Development* (speech in Dewan Rakyat presenting the SMP, 12 July 1971) (Kuala Lumpur: Information Department, 1971); Tan Sri Ghazali Shafie, *Democracy: the Realities Malaysians Must Face* (speech in Dewan Negara, 5 March 1971) (Kuala Lumpur, 1971); Tan Sri Ghazali Shafie, ''Testament of Hope'', *New Sunday Times,* 4 January 1976; N. Pathmanaban, ''Strategy for a Balanced Socio-Economic Growth in Malaysia'', *Development Forum,* Vol. III, No. 2 (1972), pp. 7-12, C.L. Robless, ''Some Notes on the Feasibility and Consistency of the New Economic Policy'', *Malaysian Economic Development and Policies,* Stephen Chee and Khoo Siew Mun, eds. (Kuala Lumpur, 1975).

[24] Silcock and Fisk, op. cit., pp. 163-94; *Report on Sixth International Seminar on Development, 26th July-1st August, 1971* (Kuala Lumpur, 1972), especially pp. 13-26; Syed Hussain Wafa, *Land Development Strategies in Malaysia: an Empirical Study* (Kuala Lumpur, 1974); Tunku Shamsul Bahrin, ''Rural Landlessness and Land Development in Malaysia'' (paper delivered at the Second Malaysian Economic Convention of the Malaysian Economic Association, Kuala Lumpur, 26-30 March 1975).

(MAJUTERNAK), Bank Bumiputra, and Bank Pertanian (Agricultural Bank). The Farmers' Organization Authority (FOA), and its relation to agricultural cooperatives is also of interest.[25] An unexpected development, necessitated by the economic recession in 1974, was the start of a campaign to grow more food, which was administered through a Green Book Plan, modelled on the Rural Development Red Book.[26] Some apparently agricultural operations also have industrial aspects. FELDA in 1974 announced it was creating two agro-based industries, palm oil refining and palm kernel crushing, and early in 1975 it set up its own corporation to transport its produce.

The distinctive features which mark off the New Economic Policy from previous policies mostly concern industry and commerce rather than agriculture. Quantitatively, also, industry and commerce are being expanded more rapidly under the NEP. The *Mid-Term Review* stated that the original SMP had been revised so that commerce and industry expenditure would rise by 65 per cent, greater than the increase for agriculture.[27] By the start of 1975 the agricultural sector produced only 24 per cent of the Gross Domestic Product compared with 34 per cent in 1961, while in the same period manufacturing rose from 8 per cent to 17 per cent.[28]

The innovative features of the NEP may be arranged under five headings: incomes and poverty; employment, particularly of managers; ownership of capital; education; and urbanization.

Some of the basic facts about poverty are given in the *Mid-Term Review* and are supplemented by the research of economists.[29] In 1970 the average Malay household income was only about half the average non-Malay household income. But this simple statement does not convey an accurate picture. Within each community there were wide

[25] L.J. Fredericks, "Inter-Institutional Conflict and the Creation of the Farmers' Organization Authority", *Development Forum,* Vol. IV, No. 1 (1973), pp. 23-8; Ahmad Sarji bin Abdul Hamid, "Restructuring of Rural Institutions for Agricultural and Rural Development in Malaysia" (paper delivered at the Second Malaysian Economic Convention of the Malaysian Economic Association, Kuala Lumpur, 26-30 March 1975).

[26] *New Straits Times,* 7 December 1974 and 1 January 1975.

[27] *Mid-Term Review,* p. 97.

[28] *New Straits Times,* 16 January 1975 (Datuk Hussein Onn).

[29] *Mid-Term Review,* pp. 2-5; Lim Lin Lean, *Some Aspects of Income Differentials in West Malaysia (Kuala Lumpur, 1971).*

differences in income, so that average figures are unenlightening. Poverty was more marked in rural areas, where the majority of the population is Malay. Moreover, inside rural areas, Malays tend to be concentrated in the most backward economic sectors, for example as coconut and rubber smallholders, single-crop padi farmers, tenants and sharecroppers in padi and rubber cultivation, and inshore fishermen. In urban areas the gap in income between Malays and non-Malays was not as wide. Before the start of the NEP, from 1957 to 1970, inequality of incomes actually increased.[30] A knowledgeable and persistent critic of government policies on poverty, Professor Ungku A. Aziz, claimed in 1964 that government action on rural development had been concerned mainly with the provision of physical facilities, which did not directly reduce rural poverty, and that too little consideration had been given to the role of middlemen and exploitation.[31]

As well as aiming to expand infrastructure, there was also an attempt in the NEP to increase employment and the productivity of those in low-income occupations and to increase movements of people from the traditional to the modern sector of the economy. Most of the specific government measures listed for the eradication of poverty in the SMP concerned the Malays, either in agriculture or by assisting their movement from agriculture to the modern commercial and industrial sectors. Non-Malays would also benefit from the provision of facilities and amenities for New Villages and for those employed in estates and mines. There was no specific reference to the urban poor, although they would receive some general benefit from expenditure on creating employment, health, housing and education.[32]

An important aspect of the second prong of the NEP, aimed at

[30] *The Treasury, Malaysia: Economic Report, 1974-1975* (Kuala Lumpur, 1975), pp. 84-6; Lim Lin Lean, *The Pattern of Income Distribution in West Malaysia, 1957-1970* (Geneva, 1974); D.R. Snodgrass, "Trends and Patterns in Malaysian Income Distribution, 1957-1970" and "The Fiscal System as an Income Redistributor in West Malaysia", David Lim, ed., *Readings on Malaysian Economic Development* (Kuala Lumpur, 1975).

[31] Ungku A. Aziz, "Poverty and Rural Development in Malaysia", *Kajian Ekonomi Malaysia,* Vol. 1, No. 1 (1964), p. 87. See also two of his other papers: "Facts and Fallacies about the Malayan Economy, in Retrospect, with New Footnotes", *Ekonomi,* Vol. III, No. 1 (1962), pp. 6-30; "Recent Thoughts on Poverty" (paper delivered at the Second Malaysian Economic Convention of the Malaysian Economic Association, Kuala Lumpur, 26-30 March 1975).

In 1976 Professor Ungku Aziz believed that too much attention had been given to urban, as compared with rural, poverty (*New Straits Times,* 16 March 1976).

[32] *Mid-Term Review,* pp. 6-8.

restructuring the society economically, was to achieve a racial balance in employment. Employment in the various sectors of the economy by occupational levels was to reflect the racial composition of the country. The *Mid-Term Review*[33] showed that the Malays were predominant in the agricultural sector, where output per worker was lowest, while the Chinese dominated the mining, manufacturing and commercial sectors where output was highest. Also, unemployment figures showed that Malays were more affected than Chinese, and Indians even more than Malays. The situation was diagnosed in accordance with the thinking behind the NEP; it was concluded that growth by itself would not uplift the economic position of the Malays significantly. The *Mid-Term Review* therefore set out employment targets for 1990. The proportion of Malays in agriculture was to decrease, while the proportion in mining, manufacturing and commerce was to increase. Because of the general rise in employment opportunities, the numbers, as opposed to percentages, of Chinese and Indians would not decrease in seven out of eight broad employment sectors. The sole exception would be the number of Chinese employed in mining. Apart from changes inside sectors, it was also projected that, within each sector, Malays would occupy higher positions in the job hierarchy than currently. In 1973 only 12 per cent of the managerial and professional group employed in the pioneer industries were Malays; in other industries, for which figures were not available, the proportion was almost certainly lower. It was therefore necessary, according to the *Mid-Term Review,* to expand the Malays' professional, managerial and technical skills. Management was given special importance. In other sections of the *Mid-Term Review* it was considered in conjunction with ownership. "The target of the Government is that within a period of 20 years, Malays and other indigenous people will own and manage at least 30 per cent of the total commercial and industrial activities of the economy in all categories and scales of operation."[34] The difference between managers and entrepreneurs was not clearly spelt out. Not all managers are owners, and not all owners are managers. Nevertheless, the intention was clear. The success of the NEP rested largely on the supply of competent Malay managers and entrepreneurs, a topic discussed at some length later in this chapter.

[33] Material in this paragraph is taken from the *Mid-Term Review,* pp. 62 and 76-80.

[34] Ibid., p. 81.

The implementation of the policy for recruiting more Malays in the modern sectors[35] has both long-term and short-term aspects. In the long term, training facilities are provided by a large range of organizations. Foremost among these is the MARA Institute of Technology (ITM), which from 1966 to 1975 produced nearly 3,000 graduates and has branch campuses in different locations. Training programmes have also been launched by various ministries and also by MARA vocational institutes, the National Productivity Centre and a number of other bodies.[36] In the short term persuasion and sanctions are needed to induce businesses to meet NEP employment targets because the employment of more Malays, some of whom may be incompletely trained or experienced, represents an immediate cost to them. Firms which have wished to receive government encouragement, for instance in order to secure pioneer status or to qualify otherwise for reduced taxation, have had to undertake to employ 30 per cent Malays at all levels. In operating this type of control the Ministry of Trade and Industry has worked closely with the Federal Industrial Development Authority (FIDA), which started operations in 1967. In 1975 control was extended to cover other industries, apart from those operating on a small scale, irrespective of whether or not they were seeking taxation relief. This was accomplished by the Industrial Coordination Act, 1975, which came into force in May 1976, and required licences for industries, which could be withdrawn if they did not employ 30 per cent Malays from worker to management level.[37]

As remarked earlier, a main concern of the NEP was to increase the number of Malay managers and entrepreneurs. Much has been written on this topic, some based on studies of rural Malays, some on actual research on business. The value-systems of Malays have been cited, as well as the influence of Islam, the effects of colonial policy, and the role of family demands on those who enter business.[38] The counter-

[35] See Fred R. von der Mehden, "Communalism, Industrial Policy and Income Distribution in Malaysia", *Asian Survey,* Vol. XV, No. 3 (1975), pp. 247-61.

[36] *Mid-Term Review,* pp. 33-5 and 197-9. ITM's difficulties, including high failure rates and problems of student discipline, led to its reorganization in 1976 (*New Straits Times,* 15 and 17 April 1976).

[37] *New Straits Times,* 6 and 14 April 1975; *The Star,* 27 May 1975 (Datuk Hamzah). They also had to meet NEP ownership targets.

[38] Brien K. Parkinson, "Non-Economic Factors in the Economic Retardation of Rural Malays", *Modern Asian Studies,* Vol. 1, No. 1 (1976), pp. 31-46; William Wilder,

attraction of the civil service which was prestigious and "safe" used also to be a deterrent to entering business. Some of these impediments are obviously difficult to overcome, especially quickly. However, there is evidence that some are not as powerful as before. It is possible for religion to be associated with business in a positive way. The *Tabung Haji,*[39] through which intending pilgrims save for the cost of their pilgrimage, is a source of funds for business and at the same time promotes, and is seen to promote, a religious end. Religion has been linked positively with business in other ways. Two examples may be cited from Perak. In 1971 religious leaders in the state met to discuss their role in the newly-formulated SMP.[40] Later it was announced that the Perak Islamic Development Corporation, promoted by the State Religious Affairs Council, would build two commercial complexes and engage in other ventures.[41] Attitudes are also changing on the relative merits of the civil service and business. A recent study showed that, in a sample of civil servants, most of those who replied negatively when asked if they would enter the civil service if they had their lives to live over again, were Malays, and most of these would have preferred to have become business executives.[42]

It is more difficult to generalize about what kind of changes in values and attitudes might help increase the number of effective managers and entrepreneurs. Tun Razak appealed to Malays to become more economic-minded and to have faith in science and

"Islam, Other Factors and Malay Backwardness: Comments on an Argument", ibid., Vol. 2, No. 2 (1968), pp. 155-64; Brien K. Parkinson, "The Economic Retardation of the Malays—a Rejoinder", ibid., Vol. 2, No. 3 (1968), pp. 267-72; Oliver Popenoe, "Malay Entrepreneurs; an Analysis of the Social Background, Careers, and Attitudes of the Leading Malay Businessmen in West Malaysia" (Ph.D. Thesis, London University, 1970); Abdul Rahim Md. Said, "Developing Indigenous Entrepreneurship in West Malaysia" (M.Sc. Thesis, Cornell University, 1974); Chandrasekaran Pillay, "Protection of the Malay Community: a Study of UMNO's Position and Opposition Attitudes" (M.S.S. Thesis, Universiti Sains Malaysia, 1974).

[39] See the article on "Lembaga Urusan dan Tabung Haji", *Malaysian Business,* September 1973, pp. 27-33.

[40] *Utusan Zaman,* 27 August 1971, quoted in *Intisari Akhbar Harian.*

[41] *New Straits Times,* 16 April 1975 and 30 December 1975. Tun Razak also invited religious experts to study Islamic practices and regulations so that they might be adapted to the modern and scientific world for the progress of Muslims (ibid., 25 September 1975).

[42] Mavis Puthucheary, "Administration, Politics, and Development: a Case Study of West Malaysia" (Ph.D. Thesis, Manchester University, 1973), pp. 194-5.

technology, while not neglecting belief in God.[43] More aggressively, Tengku Razaleigh stressed that under the NEP Malays had "a wonderful world of almost limitless opportunities" but that only the fittest survived and there was no charity in the world of business.[44] Obviously, training and changes in attitudes can do something to help. However, some of the factors associated with being a manager or entrepreneur seem to be determined early on in life, for instance having come from a family with some social standing and having frequently come in contact with non-Malays during childhood.[45] Some managers believe that brains are the best foundation. One Malay managing director has said that his best Malay management recruits are those who have done best at university, no matter what they have studied; he would prefer them to those who had an inferior degree but had supplemented it by a business course. Part of the training given to implement the NEP is specifically for business. Some is provided by ITM; one course which aroused particular interest was the intensive (for three months) teaching of the elements of business and accounting to arts, humanities and social science graduates.[46] Another approach, followed in the Selangor Economic Development Corporation, and reflecting the views of Dato Harun bin Idris,[47] was to take people direct from the universities for in-service training into one of the Corporation's subsidiaries. At the other end of the scale, small traders have been given short courses by the National Productivity Centre or by various units of the large governmental or quasi-governmental organizations, such as PERNAS Edar, a wholesale distribution agency of PERNAS. There would seem to be a need for more coordination of training, now carried on by so many different bodies.

A necessary, but by no means sufficient, condition for success in

[43] *Straits Times* (Malaysia), 11 January 1972. Previously, a "mental revolution" had been called for in Senu bin Abdul Rahman *et al.*, *Revolusi Mental* (Kuala Lumpur, 1971).

[44] Tengku Razaleigh, *Straits Times* (Malaysia), 5 April 1973. For a criticism of this view, see Syed Hussein Alatas, "Proceedings of the Forum", *Trends in Malaysia II,* Yong Mun Cheong, ed. (Singapore, Institute of Southeast Asian Studies, 1974), pp. 135-6.

[45] Norman C. Hunt and B.M. Conway, *A Survey of Managerial Development Needs in West Malaysia* (Edinburgh, 1972) (mimeo.), p. 69.

[46] *Malaysian Business,* September 1974, pp. 27-31.

[47] Ibid., September 1973, p. 19.

business is adequate credit. This has been supplied by MARA, Bank Bumiputra (and, since 1974, by its subsidiary, the Development Bank), to a lesser extent by the Malaysian Industrial Development Fund (MIDF), and by the commercial banks. The latter were cautious in lending to small Malay businessmen, looking at assets and collateral rather than project viability. The situation was eased by the setting up of the Credit Guarantee Corporation (CGC), in 1972, which provides guarantee cover for commercial banks when they make loans to small-scale enterprises.[48] In addition, businesses need advisory and consultancy services. These are provided by such agencies as MARA and the NPC and also by the Bumiputra Participation Division of the Ministry of Trade and Industry, formed in 1973, which has been particularly active in helping Malays get into the distributive trades. Such services are altogether essential to ensure the success of the NEP. The whole business environment is strange to the would-be Malay businessman, and he has difficulty fitting himself into this "alien" framework, for instance in establishing the contacts to obtain franchises. His notions about exactly what business he wishes to engage in may be vague, and his ideas about a feasible scale of operations may be inflated. An official in one of the organizations providing advisory services put the size of the task in very clear perspective when he wrote that the clients needed more than just telling and showing: "They need a whole gamut of cajoling, demonstration, value indoctrination, convincing, orientation, advice, counselling, guidance and on-the-job coaching."

A concrete advantage given to Malays who are contractors is that a percentage of the contracts given by the Government and quasi-governmental organizations is reserved for them.

One possible source of recruits for private management jobs would be from the transfer of civil servants from the public to the private sector. This has not happened to any great extent, although several proposals to do it have been made, especially for the transfer of civil servants trained in economics and with approximately five years' experience in government service. Some have moved, either on transfer or secondment, from government service to large corporate organizations such as the State Economic Development Corporations or PERNAS, which could hardly have started off successfully without

[48] The Malay and other indigenous share of the total institutional credit increased from about 14 per cent in 1971 to almost 30 per cent in 1975 (*TMP*, p. 31).

the aid of such experienced men. Others, on retirement, have become directors of companies in the private sector.

One way in which the small supply of Malay managers and entrepreneurs can be made to go further is for Malays to take part in joint ventures. Joint ventures would usually be undertaken together with non-Malays, generally Chinese; large ones would probably be with foreigners. Sino-Malay economic cooperation has had different degrees of success in different contexts. In professional firms, it is reputed to work very well. Where the field is wide, covering a range of businesses, it has not been so successful. The Sino-Malay Economic Cooperation Advisory Board, set up soon after May 1969 to help the Malays by promoting more cooperation in business, was a failure.[49] Even in 1975 a prominent Malay businessman believed that discussions in the National Chamber of Commerce and Industry on how Malays and non-Malays could work together to implement the NEP had not been frank enough. Inevitably, joint ventures are suspect because of the reputation they have acquired as "Ali Baba" operations, in which the Malays, once they have been given a licence, quota or contract by virtue of being Malays, sit back and let the non-Malays run the business. The practice has been most prevalent in timber, saw-milling and mining. With the increase in economic opportunities given Malays under the NEP, the opportunities for Ali Babaism have also increased. In spite of this danger, joint ventures can be useful to Malays who lack skill and experience, and perhaps capital. In a way, therefore, they may be good, giving Malays a chance to learn from the Chinese, provided that the Malays concerned are active.[50]

A key role in the implementation of the NEP, and in particular its policy on employment, is played by the government corporations and other governmental bodies, most of which have either been founded or have greatly expanded their operations in the 1970s.[51] Prominent among them are MARA, PERNAS (Perbadanan Nasional, or State Trading Corporation), UDA (Urban Development Authority) and the

[49] *Straits Times* (Malaysia), 10 June 1972.

[50] Tengku Razaleigh (ibid., 10 March 1972).

[51] *Mid-Term Review,* pp. 14-15, 144-51, 155-8; "Public Enterprises in Malaysia—a General Survey", *Development Forum,* Vol. IV, No. 2 (1974), pp. 1-17; R.S. Milne, "The Politics of Malaysia's New Economic Policy", *Pacific Affairs,* Vol. 49, No. 2 (1976), pp. 235-61.

thirteen State Economic Development Corporations.[52] Their activities affect the process of restructuring employment in several ways. They themselves give employment, principally to Malays. They provide services for Malays in business through advice and training, provision of premises, loans, and sometimes undertaking joint ventures with other Malaysian firms or with foreign firms. Fortunately, the ramifications of these organizations, extending to the subsidiaries of subsidiaries, need not be described here. For some, notably PERNAS or the Selangor State Development Corporation, organization charts are likely to be out of date almost as soon as they are drawn. Coordination or control of these bodies has been difficult, and in 1974 a separate ministry was set up in order to try and achieve it. SEDCs, in particular, have come in for criticism recently from many directions, ranging from the DAP to the Prime Minister.[53] Dishonesty, inefficiency and tendencies to over-expand have all been alleged. They have not attracted sufficient good bumiputras, and some of the officers seconded from the federal government service have not been of high quality.[54] The general tendency has been to tighten controls on statutory bodies by subjecting them, for instance, to ministerial approval for their policies or to stricter audit of their accounts.[55]

Insofar as these bodies actually conduct business operations, whether by themselves or in conjunction with other bodies, as opposed to providing services, the intention is that some day their share of the operations will be handed over to private business. However, although this has been announced as government policy, very few activities have actually been transferred yet except for some MARA ones, for example running bus services.[56] At least initially, such large

[52] In late 1975 PERNAS had about 4,000 employees, and 8 wholly-owned subsidiaries engaged in activities ranging from trading and mining to property development and securities (Tunku Datuk Shahriman, PERNAS chairman, *New Straits Times,* 14 August and 25 December 1975). UDA is responsible for the provision of office space and business premises for Malays in urban areas. Activities of the SEDCs vary widely. Among other things, they engage in agriculture, manufacturing and processing, provide business and office premises, and carry on wholesale and retail trading. They also have subsidiaries and take part in joint ventures.

[53] Ibid., 21 and 23 April 1976.

[54] Ibid., 24 April and 25 August 1976 (Editorials).

[55] Ibid., 4 May and 13 July 1976.

[56] According to the *TMP* (p. 195) the sale of share capital in such organizations will be gradual in order to ensure continuity of sound management so as to protect the interests of the new shareholders.

organizations as MARA, PERNAS and the SEDCs have great advantages over smaller private business firms. The difficulties faced by Malays in breaking into a non-Malay business world are more easily undertaken by large government organizations. Once they are established there is a "chain" effect benefiting other Malay firms which, for example, might find it easier to obtain goods wholesale from a PERNAS subsidiary than from a non-Malay distributor. Also, there is the distinction, not specified in the SMP, between entrepreneurs and managers. Qualities of entrepreneurship, except maybe on a small scale, are more rare than qualities of management. The large-scale organizations have the advantage of being able to economize on entrepreneurs, while employing managers who are *relatively* less scarce. On the negative side, there are dangers of over-extension and "empire-building", as in the ill-fated Indonesian organization, PERTAMINA.

The shortage of Malay managers has led to considerable problems. Both business and government have been affected. Some firms claim that they have been chided for not employing sufficient Malays in the higher grades although the shortage has made it difficult to recruit. Government corporations were also told by Datuk Hussein Onn in 1975 to stop "pinching" staff from each other[57] and from government departments. Some ambitious and qualified Malays move rapidly from job to job, each time receiving a substantial increase in salary. For both managers and entrepreneurs, there has also been a problem of quality as well as of numbers. Some Malays who have been given opportunities through the NEP have not recognized that these also entail obligations. A contractor, for example, should be mindful that failure in carrying out a school project could cause hundreds of children to suffer.[58]

The Second Malaysia Plan had the same overall target, at least 30 per cent by 1990, for Malay ownership as for Malay management. Part of this target would be achieved by Malays who both owned, wholly or partly, and ran a small business. However the Plan placed great emphasis on the ownership of limited companies. In 1970 (for Peninsular Malaysia) the Malay share was only 1.9 per cent, as compared with a foreign share of 60.7 per cent, a Chinese share of 22.5 per cent and an Indian share of 1.0 per cent. The foreign share

[57] *New Straits Times*, 29 August 1975.

[58] Datuk Hussein Onn, *New Sunday Times*, 1 December 1974.

was especially dominant in modern agriculture and mining, while in manufacturing, commerce and finance it amounted to between 50 and 60 per cent.[59] Considering the low Malay figure in 1970, the 30 per cent target implied a very high rate of expansion. The target for non-Malays was set at 40 per cent, leaving 30 per cent for the foreign share. However, because of the growth envisaged, as well as a massive Malay increase there would also be a large non-Malay increase and a considerable foreign increase.

As with employment targets, the fulfilment of the overall 30 per cent figure was to be attained by regulation, originally through the Government's offer of financial inducements to secure compliance, later, on a wider scale, by the provisions of the Industrial Coordination Act. The targets and percentages for different types of businesses were not uniform, and were changed from time to time. In October 1975 a wide range of percentages for Malaysian ownership was announced which ranged from 100 per cent for projects which catered substantially for the domestic market where the technology required already existed in Malaysia, to a possible figure of 100 per cent foreign-ownership for projects which were 100 per cent export-oriented.[60] Within the category of *Malaysians,* the Ministry of Trade and Industry is active to ensure that the target of 30 per cent *Malay* ownership will be achieved, just as it works to achieve the targets for Malay employment. Apart from small businesses where management and ownership coincide, a major problem consists in finding enough Malays to buy shares in business to reach the 30 per cent target. The Malays have only a small supply of capital, the idea of buying shares is relatively new to them, and when they do buy they are more interested in public shares than in shares in private limited companies. MARA was a pioneer in starting unit trust funds, and now manages several; it has also branched out into other directions, including schemes run through its subsidiary, Kompleks Kewangan Malaysia.[61] Other Malay savings have been tapped through contributions for pilgrimages via the *Tabung Haji.* The Ministry of Trade and Industry also reserves shares which it hopes will be acquired by bumiputras.

[59] *Mid-Term Review,* pp. 80-8, especially Table 4.7, p. 83. The remainder of the share capital was held by "Federal and State Governments and Statutory Bodies and other Malaysian residents (individuals and Nominee and locally controlled companies)". The classic reference on ownership is James Puthucheary, op. cit.

[60] Datuk Hamzah, *New Straits Times,* 29 October 1975.

[61] A financial consortium (*The Star,* 18 June 1975; *New Straits Times,* 18 July 1975).

But from 1971 until August 1974 only about $200 million out of about $500 million worth of shares reserved had been taken up.[62] A revealing example was quoted by Tengku Razaleigh in 1975: three banks offered shares worth a total of $18 million to Malays, but only three came forward and they could muster only $150,000 among them.[63] For the time being the deficiency in shareholding by individual Malays or small groups of Malays is supplied by large institutions which do business on behalf of the Malays, such as PERNAS or the SEDCs. Thus, some of these institutions actually fill two current gaps: they postpone the time when large numbers of Malay entrepreneurs will be needed, and they make good some of the Malay ownership quota until more Malay individuals become shareholders.

The exact pattern of ownership which will emerge when the subsidiaries are handed over to Malays, either as individuals or as groups, is not yet clear. It is apparent, though, that however "notional" the procedure before that time may seem, many of the Malay leaders concerned with this question, notably Tengku Razaleigh, believe that taking over foreign companies at fair market prices by such bodies as PERNAS is the best way for the Malays to get a fair share of the economy quickly.[64]

Education, as distinct from the training discussed previously, is also important as a basis for producing skilled employees, managers and entrepreneurs, particularly Malays. In 1969, at university level and its equivalent, the proportion of Malays was low in every field, compared to their numbers in the population, especially in science, medicine and engineering.[65] Accordingly, one of the amendments made to the Constitution in 1971 enabled directions to be given to universities and similar institutions to admit more bumiputras.[66] By 1975 the situation had substantially altered. In the five universities in Malaysia 58.5 per cent of the degree students were Malays, slightly higher than the Malay proportion of the whole population. However, in the science, medical and engineering faculties the Malay proportion

[62] Ibid., 21 November 1974.

[63] Ibid., 23 July 1975.

[64] *The Star,* 4 July 1975; *Malaysian Business,* July 1976, pp. 14-15 (interview with Tengku Razaleigh).

[65] *Towards National Harmony* (Kuala Lumpur, 1971), Appendix.

[66] Tan Sri Mohamed Suffian bin Hashim, *An Introduction to the Constitution of Malaysia* (Kuala Lumpur, 1972), p. 274.

was decidedly lower; it was also only a minute percentage of the total number of Malaysian students doing courses in these subjects in overseas universities.[67]

To enable the proportion of Malays in universities to rise without loss of quality, steps were taken to strengthen the teaching of Malay pupils in schools. After the appearance of the 1973 report on school "dropouts," the number of dropouts was reduced, and more help was given to the persistently disadvantaged rural schools, where the pupils were mainly Malays. There was also an extension of the system of residential schools, some of which were secondary science schools, for the benefit of rural children.[68] At the same time new teaching programmes for science and mathematics were introduced, and there was a drive to encourage Malay children to study these subjects, even to the extent that one commentator thought there might be a danger of all the best brains being channelled into science to the detriment of the arts and humanities.[69]

Some eminent writers have favoured greater urbanization of the Malays for various reasons: logistically, because that is where the better-paid modern-sector industrial jobs are; for helping national unity, by making Malays employed in commerce and industry a visible part of the urban scene; psychologically, because urban people are more sophisticated and progressive than rural people.[70] The Second Malaysia Plan did not explicitly advocate urbanization of the Malays. The process has been occurring of its own accord: in 1975, in Peninsular Malaysia, 18 per cent of the Malays were urban, compared with 14.9 per cent in 1970, 11.2 per cent in 1957 and 7.3 per cent in 1947. The percentage rate of increase was higher for Malays than for Chinese or Indians.[71] Too rapid a growth of towns, such as Kuala Lumpur, can bring problems of unemployment, illiteracy, lack of

[67] Dr Mahathir bin Mohamad (*New Straits Times,* 3 December 1975); *Mid-Term Review,* pp. 191-7; *TMP,* pp. 30 and 401-3 (Tables 22.7 and 22.8). In 1976 Dr Mahathir announced that the University of Malaya would set up a basic science centre to train bumiputras in science to prepare them for entry to engineering, medical, science and dental faculties (*New Straits Times,* 5 July 1976).

[68] Tun Razak, ibid., 4 August 1975. On dropouts, see p. 371.

[69] Adibah Amin, ibid., 10 January 1975.

[70] Tan Sri Ghazali Shafie, "Urbanization—the Answer for Malaysia", *Straits Times* (Malaysia), 1 August 1970; Tan Sri Ghazali Shafie, "Democracy: the Realities Malaysians Must Face", op. cit.; Mahathir bin Mohamad, op. cit., p. 105.

[71] *Population and Housing Census of Malaysia: Community Groups* (Kuala Lumpur, 1972), Table XVI, p. 33; *TMP,* p. 149.

skill, and disease, as well as aggravate the housing shortage and increase the number of squatters.[72] The NEP is apparently pursuing two different but consistent objectives. On the one hand, it is providing facilities for Malays in the urban centres who desire to become businessmen, through organizations such as UDA. On the other hand, it is dispersing new industry to the less-developed states and away from the larger existing urban centres. Tax relief is given for industries which are set up in these areas, and the policy has already achieved success.[73] The Government's land schemes and other rural development activities also have the effect of cutting down the rate of urbanization. The approach seems to be one of controlled and guided urbanization.[74]

The Third Malaysia Plan: Targets and Results; New Emphases

In some ways the Third Malaysia Plan (TMP) was a continuation of the Second. The themes and objectives were those stressed previously; only the emphasis on national security, dictated by the circumstances of 1976, was new.[75] Otherwise the key phrases—growth, poverty, restructuring of society, no loss or sense of deprivation for any particular group, the importance of the private sector—were restated. However, in the new Plan there was some subtle but perceptible restructuring of the themes. The first prong of the NEP, the eradication of poverty, was given greater prominence than in the SMP, being mentioned before restructuring and national security in listing the "triple thrusts" of the TMP.[76] The role of the private sector was also more carefully underlined. The delay in the appearance of the Plan was due partly to the need to adjust to rapidly changing world economic conditions. But it may also have been occasioned by the desire to reassure non-Malays and foreign businessmen and investors that the NEP as expressed in the Plan would be fair to them as well as

[72] *The Star,* 3 July 1975 (Encik Zainal bin Mahmood, Kuala Lumpur Bandaraya Chief Administrative Officer).

[73] *Mid-Term Review,* pp. 143-4; *New Straits Times,* 17 July 1975; ibid., 26 July 1975 (Tun Razak).

[74] Cf. Tan Sri Hamzah Sendut, "Malaysia—in 25 Years", *New Sunday Times,* 10 August 1975.

[75] *TMP,* p. iv (Foreword by Datuk Hussein Onn).

[76] Ibid. See also the emphasis of Datuk Hussein as quoted by *New Straits Times,* 10 July 1976.

to Malays, and the need to find the right wording to convey this.

In July 1976 Datuk Hussein Onn observed that the NEP targets for the employment of Malays and other indigenous people would be enforced "pragmatically", and that the ownership targets would vary with the nature of the projects concerned.[77] This is a useful reminder that overall figures on the achievement of targets may not, by themselves, convey the whole picture.

The TMP figures for ownership in the corporate sector[78] showed that during the period of the previous plan the *percentage* of foreign holdings of share capital fell, while the percentage of Malaysian ownership and "ownership by the Malays and Malay interests" rose.[79] This last percentage was below the target, 7.8 per cent of the total instead of 9 per cent. Clearly the 1990 target of 30 per cent ownership for bumiputras can be achieved only via "Malay interests", namely governmental bodies, as a supplement to the efforts of individual Malays. Indeed the TMP stated as a target that in the acquisition of net new shares, 1975-90, the former should acquire three times as much as the latter. To help Malay individuals take up more shares the TMP announced that another governmental fund would be set up, the Bumiputra Investment Fund.[80]

The TMP gives some information on the progress made in achieving the targets for Malay employment and Malay management (exclusive of self-employed entrepreneurs). During the SMP Malays had achieved an increasingly large share of employment in the more productive sectors, although this was principally at the lower levels of the hierarchy.[81] Once again, government corporations and similar bodies will have to play an important role in the production of Malay managers.

The education component of the NEP is obviously closely related to employment targets. As mentioned earlier, there has been good progress in meeting the educational objectives of producing more Malay graduates. But there is a time lag between admission into institutions of learning and entry into employment. Dr Mahathir has pointed out that, even if the University of Malaya and Universiti

[77] Ibid., 20 July 1976; *Far Eastern Economic Review,* 10 June 1977, pp. 29-30.

[78] On ownership in other sectors, see *TMP,* p. 183 (Table 9.8).

[79] Ibid., pp. 33 and 190. In absolute terms all three categories rose.

[80] Ibid., p. 87. Cooperatives may also be a source of bumiputra investment (see p. 378, fn. 126).

[81] Ibid., pp. 32, 78-83, 142-3.

Kebangsaan admitted 100 per cent bumiputra students in medicine and engineering, the racial imbalance among practising doctors and engineers could not be overcome by 1990.[82]

Some critics have alleged that there has been a lack of progress in eradicating poverty; more specifically they have called attention to poverty among non-Malays, and have claimed that the measures taken to create a Malay commercial and industrial community will benefit mainly a few Malays.[83] Rural poverty is rapidly affected by a decline in world prices for primary products. This occurred in 1974, and, particularly in Baling, Kedah, was followed by political repercussions. Student dissatisfaction partly took the form of identifying with the grievances of the farmers hit by lower prices and of demonstrating on their behalf,[84] and UMNO was greatly concerned about loss of support in this area. The Treasury *Economic Report 1974-1975*[85] did not produce any figures on poverty, although it concluded that the Government's programmes must have improved the real incomes of the bottom 40 per cent of the population. The *Economic Report 1975-1976*[86] again found quantification difficult, but considered that the quality of life had improved for certain groups, such as FELDA scheme settlers and farmers in the Muda scheme. It was more pessimistic about improvement for some other groups.

The TMP gave greater emphasis to the question of poverty than the SMP; from 1976 to 1980 38.2 per cent of all development expenditure would be directly for the purpose of relieving poverty.[87] The Plan aimed to reduce the number of poor households[88] as well as at concentration on particular sectors: New Villages, agricultural labourers, the *Orang Asli* (aborigines), the urban poor, the poor in Sabah and Sarawak.[89] Additionally, the greatest priority was to be given to states

[82] *New Straits Times,* 3 December 1975.

[83] R. Thillainathan, "Distributional Issues and Policies in Malaysia" (paper delivered at the Second Malaysian Economic Convention of the Malaysian Economic Association, Kuala Lumpur, 26-30 March 1974), pp. 4 and 10; *New Straits Times,* 30 January 1976 (Senator Haji Othman Abdullah in the Dewan Negara).

[84] Denzil Peiris, "The Emerging Rural Revolution", *Far Eastern Economic Review,* 10 January 1975, pp. 29-31.

[85] Op. cit., pp. 86-7.

[86] (Kuala Lumpur, 1976), pp. 101-6.

[87] *TMP,* p. 238.

[88] Ibid., pp. 73-5.

[89] Ibid., pp. 47-9.

and regions which had most poverty,[90] and to the provision of greater educational opportunities for low income groups.[91] Earlier, Tun Razak had pointed out that poverty, while largely a Malay problem, was also a national problem. "The bulk of the poor are in the rural areas and though concentrated mainly among Malays engaged in traditional forms of agricultural production, there is also poverty among other Malaysians of Chinese and Indian origin both in the rural as well as urban areas."[92]

Effects on Ethnic Groups: Reactions to the NEP

In a wider sense the "success" of the NEP must be judged not by reference to statistical targets but in relation to the satisfactions provided for different sections of the population. One of its major purposes was to defuse Malay discontent over lack of economic opportunities. The SMP attempted to provide these, and there must be few Malays who do not know something about the objectives of the Plan. Apart from actual statistics of jobs provided and so on, it is difficult to assess what the Malays' perceptions are of the effects of the Plan. One criticism was that it created a Malay capitalist class.[93] This was certainly not the Government's professed intention.[94] In fact, before 1969 there may have been some advantage in having a few rich Malay businessmen, and a few Malay directors, just to show non-Malays and foreigners that Malays were not excluded from such roles. But once the demonstration had been made, the bad effects outweighed the good: poor Malays were impressed, but unfavourably, at the sight of rich Malays flaunting their wealth. Another perception concerns the view Malays have of the big organizations such as PERNAS and MARA. The *general* perception of these bodies among Malays is strongly positive, because they are known to provide bene-

[90] Ibid., pp. 39 and 235.

[91] Ibid., pp. 384 and 397-8. This was recommended in the "Dropout Report" (see p. 371).

[92] *New Straits Times,* 28 October 1975.

[93] Syed Hussein Alatas, *The Second Malaysia Plan 1971-1975: A Critique* (Singapore, Institute of Southeast Asian Studies, 1972); Chandrasekaran Pillay, "Trends in Ethnic Relations", Yong Mun Cheong, ed., op. cit., pp. 73-4.

[94] The SMP has also provided for help to small Malay businessmen, including hawkers. Tengku Razaleigh has referred to the possibility of "class conflict" between small and big bumiputra businessmen, unless the advanced companies gave assistance and guidance to newcomers in business (*New Straits Times,* 4 September 1975).

fits and opportunities for bumiputras. At the least sign of non-Malay criticism Malays will close ranks to defend them. But there have been complaints that in some instances the big organizations have competed against Malay businessmen instead of helping them.[95] Those who have suffered from this type of competition may share the view of a representative of a Malay Chamber of Commerce: "First it was Ali-Baba, now it is becoming Ali-MARA, soon it will be all MARA and no Ali."[96] Such feelings may be strengthened by the delays, however justified, which have occurred in handing over enterprises to individuals or groups by such organizations.

Another consequence is that the NEP, by showing what the Government can do for Malays, has raised expectations of what *more* it can do for Malays. Demands have been made that it should reserve 50 per cent of the exploitation of natural resources for Malays, give Malay contractors a bigger share of tenders put out by government and quasi-governmental bodies, earmark 90 per cent of some unsophisticated industries for Malays, and so on. These claims have been made through various channels: at UMNO General Assemblies, through UMNO Youth, at the 1973 Bumiputra Economic Congress[97] and via the Malay Chambers of Commerce and other bodies. The figure of 30 per cent in the SMP, which has had wide currency, accustomed Malays to make claims in similar target form, but bigger ones. There is some incompatibility between the emphasis of UMNO leaders on mental revolution and self-help, and the expectation of governmental help which has been generated.

The problem of the non-Malays was the reverse; they had to adjust some of their expectations downwards.[98] It is true that, with the overall growth envisaged in the NEP, in the long term they could hope to be better off, and that poor non-Malays could look to the NEP's anti-poverty prong for improvement. But, although short-term costs might not be too high to bear for the sake of the long-term economic and social gain,[99] there *were* short-term costs, especially in the form of

[95] E.g. Datuk Mohamad Rahmat, Deputy Minister of Coordination of Corporations, ibid., 15 January 1976; ibid., 21 April 1976 (Datuk Hamzah).

[96] Beaglehole, op. cit., p. 245, fn. 89.

[97] *Lapuran Seminar Ekonomi Bumiputra* (Kuala Lumpur, 1973).

[98] See Alex Lee, "Trends in Politics: a Malaysian-Chinese View", *Trends in Southeast Asia No. 2; Proceedings and Background Paper of Seminar on Trends in Malaysia,* Patrick Low, ed. (Singapore, Institute of Southeast Asian Studies, 1971), pp. 51-3.

[99] Tan Sri Ghazali Shafie, *Sunday Times* (Malaysia), 10 September 1972.

adaptation and adjustment. Many non-Malays, including the author of a letter to the MCA publication, *The Guardian,* saw the situation in terms of "limited cake".[100] An editorial in the same newspaper said that economic power was leaving the hands of the Chinese, and that there was no point in trying to cling to it. "The marriage between Chinese economic power and Malay political power broke up on the fateful day of May 13 1969."[101] Ironically, the Chinese and other non-Malays could hope to prosper only if there were growth, and therefore had every incentive to strive to promote it. But simultaneously they were impeded by the controls which existed in order to implement the NEP. The most worrisome of these was the Industrial Coordination Act 1975.[102] There were protests about the Act from the MCA, Chinese Chambers of Commerce and other organizations.[103] Some concessions were secured, but the net effect appeared to be that, except for very small firms, licences would be required from the Ministry of Trade and Industry, which could be revoked if requirements about bumiputra ownership and employment were not met. There was no legitimate ground for objecting to the substance of the Act, which was within the scope of the NEP. However, it was introduced without prior discussion and caused uncertainty by the wide powers it conferred. These were particularly distasteful to private businessmen who were concerned about implementation of the NEP by some officials which, quite apart from the policy itself, sometimes operated harshly on non-Malays.[104]

Paradoxically, in view of Chinese fears about the achievement of growth, one of the problems facing Chinese businessmen was the *high* rate of growth envisaged for them in the Plan. One reason for misgivings was the existence of new, or newly-invigorated, bodies,

[100] Vol. 4, No. 3 (1972), p. 7.

[101] Ibid., Vol. 4, No. 1 (1972), p. 2.

[102] See p. 331.

[103] For a summary of Chinese businessmen's opposition to the Act see *The Asian Student,* 29 January 1977, p. 3.

[104] On implementation generally, see R.S. Milne, op. cit., p. 251. On the 1975 Act, see the speech in the Dewan Rakyat by Encik K. Pathmanaban (*New Straits Times,* 19 November 1975). His remarks about the effects on private investment were also applicable to investment by foreigners. Pathmanaban was formerly an official in the Economic Planning Unit who entered Parliament in 1974 as a National Front (MIC) member. He was largely responsible for drawing up the MIC "Blueprint" (referred to later).The *TMP* (p. 281) gave assurances that the Act would be applied pragmatically, to avoid delays. See p. 349 below.

such as PERNAS, MARA and the SEDCs which were partially competitors and had the weight of government support behind them. These bodies constituted a much more serious threat than ordinary Malay enterprises.[105] The dimensions of the threat could be judged from some criticisms of PERNAS, not irreconcilable but also not very internally consistent, that it was dangerous because it was too powerful, and also that it was dangerous because it might expand too rapidly and crash. There was much discussion among Chinese businessmen, actively encouraged by the MCA, on how to achieve the necessary growth. Most Chinese firms were small and took the form of sole-proprietorships or partnerships. Many were family-based with business practices that had been little influenced by modernity.[106] In 1974 an MCA Economic Congress decided that, however painful the necessary adjustments might be, the Chinese must establish giant modern corporations backed by large financial resources and managerial and technical manpower. It also recommended joint ventures with Malays, non-Malays, or foreigners.[107] The MCA followed its own recommendations by setting up in 1975 a large corporation of this kind, Multi-purpose Holdings Berhad,[108] and it was planned to follow it with others.

The MIC also examined the implications of the NEP in a "Blueprint".[109] Some of the problems dealt with were similar to those which concerned the MCA. But there was particular emphasis on two items of special importance to Indians, their rate of unemployment which was higher than that of other ethnic groups, and their desire for greater participation in land settlement schemes. Later the MIC set up a "Multi-purpose Cooperative Society".

It is too early yet to say in what areas economic competition between members of ethnic groups may become most acute. Once again,

[105] Esman, op. cit., p. 257.

[106] Senator Lew Sip Hon, *Contribution of the Chinese in the Private Sector of the West Malaysian Economy* (MCA (mimeo.), 1974); "Why do so many Chinese Family Businesses Remain Small?", *Malaysian Business,* February 1973; von der Mehden, op. cit., pp. 258-9.

[107] *MCA Economic Congress (3 March 1974)* (MCA (mimeo.), 1974), p.2.

[108] *The Guardian,* Vol. 7, No. 7 (1975), p. 6 (Presidential Address of Datuk Lee San Choon). For subsequent developments see ibid., Vol. 8, No. 2 (1976), p. 8 and Vol. 8, No. 4 (1976), pp. 1 and 4.

[109] *Dasar Ekonomi Baru dan Malaysian Indian: Rantindak MIC* (Kuala Lumpur, 1974).

perceptions are involved; does a member of one ethnic group, competing, say, for a job, feel that the competition is against members of another ethnic group, the same ethnic group, or both? There are signs of possible growing ethnic competition in Kuala Lumpur arising from accelerated Malay urban migration.[110] There has also been a warning that the saturation point has almost been reached for graduates, except for those qualified in science and technology or in business administration, engineers, doctors, accountants, agriculturists, and veterinarians. Given NEP policy, there is an especially heavy demand for Malays in these fields.[111]

The NEP and Foreign Investment

The implementation of the NEP has also produced some friction with foreign investors. The SMP called for the encouragement of further foreign investment, but imposed the conditions on ownership, employment and so on which were indicated previously.

In spite of these, investors found Malaysia attractive by comparison with some other developing countries because of its supply of raw materials and cheap labour, good standards of honesty and efficiency in administration, and favourable attitude to investment founded on a basically "free enterprise" philosophy. The NEP placed limits on free enterprise, but policy towards foreign investment did not change appreciably. In 1975, however, there was anxiety among foreign investors in Malaysia. The world economic recession and the possibility of an external threat following the end of the Indo-Chinese war and the establishment of new governments in South Vietnam, Cambodia and Laos, were accompanied by governmental actions which gave rise to apprehension. One of these was the introduction of the Industrial Coordination Act, previously mentioned, which conferred wide and not too closely defined powers on the Minister of Trade and Industry, which could be used so as to affect unfavourably foreign firms as well as local non-Malay firms. The other concerned PETRONAS,[112] a government organization, vested by the Petroleum

[110] Kamal Salih, "Urban Strategy, Regional Development, and the New Economic Policy" (paper delivered at the Second Malaysian Economic Convention of the Malaysian Economic Association, Kuala Lumpur, 26-30 March 1975), p. 24.

[111] *New Straits Times,* 7 November 1974 (Encik Ali Abdul Hassan, Deputy Director, Economic Planning Unit); ibid., 13 February 1976 (Editorial); *TMP,* p. 155.

[112] *Malaysian Business,* December 1974, pp. 10-22 (including an interview with Tengku Razaleigh).

Act of 1974 with the entire ownership and the exclusive rights, powers, liberties and privileges of exploring, exploiting, winning and obtaining petroleum in Malaysia. Its importance was such that Tengku Razaleigh moved over from being chairman of PERNAS to become its chairman, and retained the post for some time after becoming Minister of Finance in 1976. There was no great objection to one of the provisions of the Petroleum Development (Amendment) Act, passed in April 1975, which extended the powers of PETRONAS to include marketing and distribution. Nor was there objection to the principle behind the second part of the Act, that PETRONAS would seek majority ownership and control of all petroleum projects and participate actively with the private sector on a joint venture basis.[113] The main objection was to an unusual device for acquiring ownership and control which was contained in the Act: provision for the issue of a new class of "management shares", representing 1 per cent or more of a company's capital, issuable only to PETRONAS and carrying voting rights equal to 500 ordinary shares.[114] Also disquieting was the lack of consultation, even within government circles closely concerned with petroleum, before the measure was introduced into Parliament.

Eventually, after long negotiations and the intervention of Datuk Hussein Onn, agreement was reached with the foreign oil companies concerned, and a bill was introduced to repeal some of the provisions of the Petroleum Development (Amendment) Act, including those on management shares and some on compensation in the event of a takeover.[115] Some concessions were also made in the Industrial Coordination Act, notably by providing that the actual issuing of licences should be done, not by the Minister of Trade and Industry, but by a licensing officer appointed by the Prime Minister, and by making it unnecessary for small enterprises to restructure their equity participation. Some businessmen were still unhappy about the Minister's discretion and the absence of any appeal beyond him to an independent board.[116]

Measures to reassure foreign investors were necessary, because there had been adverse reactions to government policy, as expressed in

[113] Tun Razak, *New Straits Times,* 18 September 1974.

[114] *Far Eastern Economic Review,* 16 May 1975, pp. 63-6.

[115] *New Straits Times,* 15 July, 17 and 19 November, 1, 8, 9, 15 and 17 December 1976; *Far Eastern Economic Review,* 10 December 1976, pp. 44-5 and 31 December 1976, pp. 37-8.

[116] *New Straits Times,* 1 April 1977. *Far Eastern Economic Review,* 6 May 1977, pp.38-40.

these two Acts.[117] Consequently, in the last months of 1975, assurances were given by a wide range of Ministers, notably Tun Razak (with special reference to petroleum) and the then Deputy Finance Minister, Tan Sri Chong Hon Nyan at a Malaysian Investment Seminar in Kuala Lumpur,[118] and by Datuk Hussein Onn in his Budget Speech.[119] More concretely, a ministerial committee was set up to hear appeals from investors on such problems as key posts, visas and immigration.[120] Soon after the launching of the TMP the establishment of another committee was announced, which would be headed by the Deputy Prime Minister, Dr Mahathir, to review, and if necessary revise, all policies and procedures concerning the private sector and to see that the objectives of the TMP were met.[121] Ministerial assurances continued into 1977, and included a definitive and encouraging statement of foreign investment policy by Datuk Hussein Onn.[122] The strengthening of foreign investors' confidence was even more necessary than previously. In the TMP, as compared with the SMP, there was heavier reliance on private, as opposed to public, sources of capital, including private overseas capital.[123]

In formulating and implementing policy on foreign investment, the Government has to take account not only of economic objectives and the behaviour of relevant foreigners but also of internal reactions. In a speech to United States industrialists[124] Tan Sri Chong Hon Nyan referred to "noises" in Malaysia "decrying the involvement and possibly the dominance of foreign interests in the country's economic affairs", but asked the audience to distinguish between what was authoritative and what was not. Nevertheless, these voices were audible. Some were democratic socialist voices, such as the DAP's call to the Government to Malaysianize all foreign-owned and controlled estates, plantations, mines, oil and land.[125] PSRM, too, had

[117] Notably in *The Wall Street Journal*, e.g. 22 September 1975.

[118] *New Straits Times*, 28 October 1975.

[119] Ibid., 7 November 1975.

[120] *Malaysian Digest*, 30 October 1975, p. 7.

[121] *New Straits Times*, 5 August 1976.

[122] Ibid., 3 February 1977.

[123] *TMP*, p. 273; *New Straits Times*, 28 July 1976 (Tengku Razaleigh) and 7 December 1976 (Dr Mahathir).

[124] *Foreign Affairs Malaysia*, Vol. 9, No. 1 (1976), pp. 38-9.

[125] *The Star*, 28 April 1974.

nationalization as a main plank in its policy. Also, some non-socialist bumiputras might be unhappy: with their economic expectations raised by the NEP, they might fail to see the importance of foreign investment, and it would be necessary, for example, to explain to them why foreign firms had to be allowed to remit some of their profits abroad.[126] Mistrust of foreign investment could have other effects. Possibly some of the Malay support for PERNAS might be eroded by its association with foreign firms in joint ventures.[127]

Conclusion

The New Economic Policy differs from previous policies in being more comprehensive, more coherent, and worked out in more detail. It has made use of the symbolic value of numbers, notably 30 per cent, although some who hold the figure firmly in their heads may have no clear knowledge about its application. Indeed, the "numbers idea" has spread to the non-Malays, who have also begun to ask for percentage shares of benefits.[128]

It has been correctly observed that in its use of controls "the Malaysian economy may come to acquire certain features of the command economies of the East European countries, which features are still alien to the capitalist economies of the Western World. However, the rationale for this move is in no way socialist-inspired."[129] Superficially, the growth of the large government and quasi-government bodies which play such a big role in the NEP might look like socialism, but the large corporate enterprises do not fall into any ordinary category of "socialism", because of their operations in conjunction with foreign private companies, and because of the professed intention of handing over their business operations to private enterprise. Their role, rather, is to serve as effective and symbolic institutions of indigenous economic nationalism.[130]

[126] *New Straits Times,* 5 November 1975.

[127] Cf. Alex Lee, "MNC's in Southeast Asia: Boon or Bane?", *Malaysia and the Multinational Corporations,* Stephen Chee and Khoo Siew Mun, eds. (Kuala Lumpur, 1974), p. 97.

[128] See pp. 378-9.

[129] R. Thillainathan, op. cit., p. 11.

[130] See Tun Razak's statement of belief in economic nationalism with reference to the exploitation of Malaysia's natural resources ("Our Wealth and our Rightful Share", *Foreign Affairs Malaysia,* Vol. 7, No. 4 (1974), pp. 7-12).

11

THE REGIME; STYLES OF POLITICS; NATIONAL UNITY; STABILITY

The Regime; Ethnic Politics; Consociationalism

By 1976 Malaysia was the only country in Southeast Asia, apart from Singapore, which had experienced free elections[1] regularly since Independence. However, this formal statement is just the first step in understanding how the political system actually works. One party is dominant,[2] the National Front (formerly the Alliance), and inside it UMNO is the dominant component. This was stated especially clearly not long after May 1969 by Tan Sri Ghazali Shafie: "The politics of this country has been, and must remain for the foreseeable future, native-based; that was the secret of our stability and our prosperity and that is a fact of political life which no one can simply wish away." He continued, however, that it must be "a native base which believes not in false promises or in compulsion but in cooperation with all the other races in the country".[3] Similarly, Tun Ismail observed that, although UMNO represented the Malays, this did not mean that the wishes of all people in Malaysia were not reflected.[4] The premise of a native base was accepted as "a fact of life" by a realistic opposition leader, Dr Tan Chee Khoon, although he placed a finite limit on "the foreseeable future". He acknowledged that for the next thirty or forty years the Malays would not accept a government where the non-Malays had a dominant role.[5]

This version of a one-party dominant system seeks to ensure stability in a country with deep ethnic cleavages,[6] the resultant of often mutually-reinforcing divisions on the basis of race, religion,

[1] See K.J. Ratnam and R.S. Milne, *The Malayan Parliamentary Election of 1964*, pp. 404-10.

[2] See pp. 189-91, 217.

[3] "Leadership and a Motivated Society", *Development Forum*, Vol. 2, No. 2 (1969), p. 5.

[4] *Sin Chew Jit Poh*, 3 July 1973, quoted in *Intisari Akhbar Harian*.

[5] *Straits Times* (Malaysia), 2 April 1973.

[6] See Seymour Martin Lipset, *Political Man* (London, 1960).

language and customs. To be sure, there are still sub-divisions within the main divisions in Peninsular Malaysia into Malays, Chinese and Indians. Malays, for example, may originate from different states in Malaysia, with different cultural traditions, or even from Indonesia. Chinese fall into a number of dialect groups,[7] and Indians have not been noted for cohesiveness as a bloc. Nevertheless, it is broadly true, as Maurice Freedman has asserted of Malaya, that the "integrative revolution" did not abolish ethnocentrism but merely *modernized* it. Ethnic blocs became defined on a pan-Malayan basis, which before nationalism and Independence became important were merely categories. "Malays", "Chinese" and "Indians" have therefore become realized on a nation-wide scale.[8] All three of these major ethnic categories may also be classified into English-educated and non-English-educated, and the last two may belong to various religions. A possible line of division is into Muslims (including all Malays) and non-Muslims. This distinction gains in importance because of the close identification of Malays with Islam, which has found expression in constitutional provisions and in political debate. The Muslim/non-Muslim division has often been apparent in the Borneo territories, particularly Sabah, where there are many ethnic groups and also many Muslims who are not Malays. Ethnic issues are genuine and legitimate components of political life. Politicians may, reprehensibly, use them to stir up trouble, producing ill-feeling and violence, and government restraints may have to be placed on such activities. Yet, in many countries, this is what politics is mostly about.[9] A few months after the 1969 riots the Tunku remarked: "Malaysia can only be said to have returned to normal if the public can witness a fight between a Malay and a Chinese without panicking."[10] Sadly, panic in such a situation might be reckoned as a normal

[7] An example of more sophisticated grouping of Chinese on a cultural-social-political basis is given by Wang Gungwu, "Chinese Politics in Malaya", *The China Quarterly,* No. 43 (1970), pp. 1-30.

[8] Maurice Freedman, "The Growth of a Plural Society in Malaya", *Pacific Affairs,* Vol. XXXIII, No. 2 (1960). In this case "primordial loyalties" (Clifford Geertz, "The Integrative Revolution", *Old Societies and New States,* Clifford Geertz, ed. (New York, 1963)) expanded to cover wider groupings. In other instances they may contract (Donald L. Horowitz, "Ethnic Identity", *Ethnicity, Theory and Experience,* Nathan Glazer and Daniel P. Moynihan, eds. (Cambridge, Mass., 1975)).

[9] K.J. Ratnam, "The Evaluation of Consensus and Dissent in Developing Countries", *Negara,* Vol. 1, No. 1 (1974), pp. 28-9.

[10] *Straits Times* (Malaysia), 1 August 1969.

reaction rather than as an abnormal one. Open manifestations of communalism, once regrettably widespread, have been restricted since 1969, as described in chapter 5.

Ethnic conflict may be particularly bitter if it is between two nearly-equal groups, each of which believes itself capable of achieving power, whether via the ballot box or by other means. Admittedly, in some such situations, where there is a tradition of compromise, and where the groups remember having suffered by *not* cooperating in the past, the consequence may be cooperation on a basis of equality, as in post-World War Two Austria, between Christian Democrats and Socialists.[11] But in developing countries, where the cleavages between groups are usually deeper, and also reinforce each other, this is unlikely to be the result. Near-equality in power, far from being an inducement to conciliation,[12] may actually lead to fears of being dominated and to a search for security via hegemony, even if this is combined with a degree of accommodation. Countries in this situation include Malaysia, Fiji[13] and Guyana.[14] The Malays have a majority of the electors in Peninsular Malaysia, although not in Malaysia as a whole. However, the amount of support they can gather in the Borneo states, from Muslims and other natives, and the advantage derived from Malays in Peninsular Malaysia being mainly in rural constituencies with fewer electors, guarantees them a majority in the Dewan Rakyat. This, however, is not enough to ensure stability in an ethnically-divided society. The *Utusan Melayu* reminded the MCA organ, *The Guardian,* that Tun Razak could have formed a purely Malay government in 1974, but that he also wanted representation of other communities.[15] A government supported by Malays only would "result in racial conflict and damage the country's image".[16]

What seems to have emerged is a version of "consociationalism",

[11] William T. Bluhm, *Building an Austrian Nation: the Political Integration of a Western State* (New Haven, 1973), chs. 1 and 2.

[12] See Eric A. Nordlinger, *Conflict Regulation in Divided Societies* (Cambridge, Mass., 1972), p. 57. A similar argument was advanced by Mr Lee Kuan Yew (*Straits Times,* 16 July 1964). But the main effect of his numerical calculations was to alarm the Malays and make them more resistant to sharing power.

[13] R.S. Milne, "'The Pacific Way' — Consociational Politics in Fiji", *Pacific Affairs,* Vol. 48, No. 3 (1975).

[14] J.E. Greene, *Race vs. Politics in Guyana* (Mona, Jamaica, 1974).

[15] *New Straits Times,* 5 October 1974.

[16] Ibid., 16 August 1974 (Encik Ghafar Baba).

as originally put forward by Arend Lijphart,[17] and initially applied to some smaller Western European countries, particularly the Netherlands. The term described a situation in which two or more ethnic blocs, roughly equal in power, cooperated, in spite of remaining substantially separate in their activities, through agreement between their leaders, who at the same time were able to retain the support of their followers. Government in Malaysia, via the National Front, now seems to follow such a pattern, with the important difference that the predominance of UMNO is clearly recognized, as indicated at the start of this chapter. The non-Malay groups, therefore, are represented, but since 1969 their influence has been delimited. Within these limits, however, they interact, through their leaders, with UMNO leaders, and accommodation is reached through bargaining.

A pre-1969 view of the system was put forward by Means who wrote that the allocation of power is "determined essentially by two kinds of activities: (1) through the formation of inter-communal coalitions; or (2) through manipulating 'the rules of the game' by shifting political boundaries [literally, by the formation of Malaysia and the expulsion of Singapore] or tampering with the constitution".[18] The DAP has consistently attacked the latter activity,[19] including altering another kind of "political boundary", namely constituency boundaries.[20] This criticism of course makes certain assumptions about what the rules of the game and their objects are. In fact, operation of the rules appears to: ensure UMNO dominance; allow, within limits, inputs from other sources; prevent the raising of sensitive subjects from any quarter which might produce repetitions of the events of May 1969. It is true that one result is probably to prevent an Opposition from gaining power in the foreseeable future. However, because of the National Front concept, individual parties can participate in governing as part of the over-arching government coalition, which in 1976 came to include even SNAP. There are very few op-

[17] Arend Lijphart, *The Politics of Accommodation* (Berkeley, 1968), pp. 103-4 and 139; Arend Lijphart, "Consociational Democracy", *World Politics*, Vol. 21, No. 2 (1969), p. 216.

[18] Gordon P. Means, *Malaysian Politics* (London, 1970), p. 415.

[19] Fan Yew Teng, "Has the Constitutional Opposition in Malaysia a Future?" *The Rocket*, Vol. 8, No. 1 (1973), p. 7.

[20] *Malay Mail*, 12 July 1973 (Fan Yew Teng); *Straits Times* (Malaysia), 24 July 1974 (Goh Hock Guan).

position leaders who, if they remain on the scene long enough, do not make an appearance in governmental positions. This applies even to those DAP leaders who defected and joined the Government as individuals, not as a party.

An ultimate test of the viability of the system is whether or not it produces so much dissatisfaction that there is a resort to violence.[21] Communist guerilla activity is a sufficiently serious threat to make some quite bland statements constitute a reminder of the possibility of increased violence. This must have been the effect of a speech by Encik Lim Kit Siang on the future of Chinese and Tamil primary schools in which he said: "The mounting guerilla warfare both in the jungles and in the towns cannot be defeated by bullets alone. It is fundamentally a battle for the hearts and minds of the people, and can only be won by government acceptance and implementation of policies which secure the endorsement of the overwhelming majority of Malaysians."[22] The threat is not one-way. If the May 1969 riots are interpreted partly as an expression of dissatisfaction with what was being done for the Malays economically up to that time, the context is provided for the warning by Dato Harun that there were two time-bombs that "would lead to the outbreak of another rebellion" if the Government's economic plans were not supported. One was the frustration of the poor masses; the other was the suspicion by some that the wealth was in the hands of one group only.[23] Allusions to the possibilities of violence indicate what might happen if some groups are not given things that they want badly. Consequently they point to possible trouble areas. But if they are made too crudely or too often, by stirring up other groups they may *increase* the possibilities of violence.

Political Styles

It is tempting to try and relate the styles of politics in Malaysia to those which existed in traditional Malay society. Such an attempt

[21] An alternative, for those who qualify, is emigration.

[22] *Speech by DAP Secretary-General and Member of Parliament for Kota Melaka, Lim Kit Siang, in the Dewan Rakyat on Monday, 27th October, 1975* (mimeo.).Cf. Datuk Lee San Choon, speaking of some Chinese youths who had been led astray by anti-nationalist and subversive elements: "It is quite possible they are not satisfied with some government policies and their implementation" (*New Sunday Times*, 11 July 1976).

[23] *The Star*, 7 February 1972.

might not be too far-fetched. Accounts of Malaya before the British came contain much information that is valuable in interpreting current behaviour. For example, a special vocabulary had to be used when addressing persons of royal birth[24] and Sultans could not be disagreed with in public.[25] It has also been maintained that, although the former institutions of feudalism have disappeared or been altered, *psychological* feudalism remains.[26] This section does not attempt any detailed comparison, but tries to indicate some of the prevailing styles in politics since Independence. Significantly, because of the predominance of UMNO, they are primarily *Malay* styles. These have undoubtedly affected Chinese and Indian styles and bear some resemblance to styles in the Borneo states. These further relationships await analysis. So do comparisons with other countries; there is no reason to believe that these styles are uniquely Malaysian.

"Feudalism" was one of the charges made against the Tunku by his opponents, particularly by Dr Mahathir. The reference was to a style of rule which was *personal:* decisions, on both domestic and foreign policy, were arrived at without consultation and communicated to only a few; top appointments were made by the Prime Minister himself; the basis for holding office under him was personal loyalty; criticism was seldom tolerated.[27] Certainly the Tunku's style of rule was made easier by the fact that he was of royal blood, widely regarded by Malays as a qualification to govern. It is believed, for example, that "royal" contestants in elections for UMNO posts at national levels, such as Tengku Razaleigh and Tengku Rithauddeen, have an appreciable, if unquantifiable, advantage. And electors were even urged to vote for a radical candidate (Siti Nor) at a by-election,

[24] Sir Frank Swettenham, *British Malaya* (London, 1948), p. 171.

[25] J.M. Gullick, *Indigenous Political Systems of Western Malaya* (London, 1958), p. 51.

[26] Syed Hussein Alatas, "Feudalism in Malaysian Society: A Study in Historical Continuity", *Civilisations,* Vol. XVIII, No. 4 (1968), pp. 579-89. See also the same author's *The Myth of the Lazy Native* (London, 1977), chs. 10 and 11, which discuss "Mental Revolution" and the Malay character. Analysis in terms of "feudalism" has much in common with a more general approach in terms of "patron-client" relationships. See: John D. Powell, "Peasant Society and Clientelist Politics", *The American Political Science Review,* Vol. LXIV, No. 2 (1970); James C. Scott, "Patron-Client Politics and Political Change in Southeast Asia", ibid., Vol. LXVI, No. 1 (1972); R.S. Milne, "Patrons, Clients and Ethnicity: the Case of Sarawak and Sabah in Malaysia", *Asian Survey,* Vol. XIII, No. 10 (1973).

[27] Mahathir bin Mohamad, "Problems of Democratic Nation-Building in Malaysia", *Solidarity,* October 1971, pp. 12-14.

because she was a descendant of a royal family.[28] Irrespective of royal blood, and making comparisons at a lower level of the hierarchy, it has been said that UMNO reflects the Malay ethos. The standards of the villager apply, and loyalty to the party leader resembles loyalty to the village elder. Although the public was ill-prepared for the sudden death of Tun Razak early in 1976, and the Deputy Prime Minister had been back in active politics only recently, having entered Parliament in 1969, Datuk Hussein Onn in 1976 assumed the previous Prime Minister's father-image. To the Malay mind, to challenge him frontally would be an act of heresy: he is the head of the nation, a father figure.[29] A Prime Minister is practically invulnerable, and certainly cannot be removed by a direct attack.[30] To a degree, the same argument holds good for the appointment of a Deputy Prime Minister by the Prime Minister. It is significant that the Deputy Prime Minister, who (at least until January 1976) has always also been the Deputy President of UMNO, like the President has never yet been opposed for the position at UMNO assemblies. Vice-Presidents *are* opposed, but they are nearly always re-elected; one eminent UMNO member has said that an incumbent Vice-President must perform really badly to avoid being re-elected.

These generalizations are still largely applicable but require some qualification. Leaders still enjoy the deference of the masses, but they are now less immune from the effects of manoeuvres by other leaders. Soon after he became Prime Minister Datuk Hussein Onn observed that "it was a true Malay tradition that changes in UMNO leadership in the past thirty years had been smooth and without any coup".[31] But the situation changed during the next year when political infighting in UMNO found outward expression. In 1977 Datuk Musa Hitam warned that the contest for influence in UMNO could turn dirty and affect national politics. Emotional issues could lead to a split, and the party would be weakened. Consequently he asked for support for Datuk Hussein Onn and Dr Mahathir in keeping with the party's traditional smooth process of replacing leaders.[32] This was a prescriptive, not a descriptive, remark about UMNO processes; it

[28] *Nanyang Siang Pau,* 20 January 1973, quoted in *Intisari Akhbar Harian.*

[29] *New Sunday Times,* 23 March 1976.

[30] See p. 87.

[31] *New Straits Times,* 12 May 1976.

[32] Ibid., 14 February 1977.

could no longer be taken for granted that the old procedures would be observed.

An important aspect of "feudalism" is personal loyalty. The Tunku went to great lengths to help and employ Lim Yew Hock, the former Chief Minister of Singapore, after a bizarre episode which occurred when he was High Commissioner to Australia.[33] However, ". . . a misdemeanour and excesses may be tolerated, but never a challenge or defiance to the leader".[34] If the "deference rule" is breached, the leader will not forgive. For instance, if a political leader of second rank were to ask a Prime Minister what the source of his power was, he would be removed, not necessarily immediately or directly, but when appropriate preparations had been made. Under the Tunku, personal loyalty might be rewarded not only by the personal support of the leader, but also with government support. When Lim Yew Hock left Australia, he was given another government post. And when Encik Abdul Rahman Talib, the Minister of Education, lost a libel case against an opposition MP who had alleged that he was involved in corruption, even though the Prime Minister reluctantly accepted his resignation, the Government paid his costs.[35]

The importance of personal loyalty makes it desirable for politicians to strengthen the ties that bind their followers to them or increase their numbers. This may be done by using high office in the party and in government. In difficult situations positions can be created and honours conferred through a process of "inflation". When faced by the challenge of Berjaya in 1975, Tun Mustapha increased the number of governmental positions and had the Head of State make a huge number of awards, including seventy-six Datukships.[36] It is equally helpful to attain leadership positions in quasi-governmental bodies or in business associations, as Tengku Razaleigh has done. Less obviously, high office in sporting positions is important. It is believed that Tun Razak allowed himself to be

[33] Karl von Vorys, *Democracy Without Consensus* (Princeton, 1975), pp. 252-3.

[34] Syed Hussein Alatas, "Feudalism in Malaysian Society: A Study in Historical Continuity", op. cit., p. 586.

[35] Von Vorys, op. cit., pp. 183-8; Syed Hussein Alatas, "Feudalism in Malaysian Society: A Study in Historical Continuity", op. cit., p. 586. The "fusion between the interest of the individual and that of the state" (ibid., p. 585) was most evident in the conduct of Tun Mustapha. His behaviour provides no evidence that he recognized the two interests as separate. See Bruce Ross-Larson, *The Politics of Federalism* (Singapore, 1976).

[36] *New Straits Times,* 16 October 1976.

proposed to head, in an honorary capacity, the Malaysian Football Association early in 1975, in order to prevent another politician being chosen who would have used the position to further his political aims. There were also thought to be political implications in the existence of two rival *silat* (Malay self-defence) schools in 1975, one headed by Dato Harun, the other by the Deputy Minister of Information, Encik Shariff Ahmad.[37] Another sporting event, perhaps the biggest potential coup of all, was staged by the initiative of Dato Harun. He was responsible for arranging the Ali-Bugner fight in Kuala Lumpur in June 1975, immediately before the UMNO General Assembly in which he was a (unsuccessful) candidate for a Vice-President's position. Another way of gaining status is to originate a "Foundation", the classic example being Tun Mustapha's Sabah Foundation.[38] The Tun Haji Abdul Razak Foundation, established after the death of the former Prime Minister, was actually set up after another "Tun Razak Foundation" had been launched and several other bodies had expressed an interest in starting one. To be linked with an organization bearing Tun Razak's name was obviously a source of great prestige. It was therefore necessary to regulate competition. It was stated that, in order ". . . to avoid any confusion, the Government feels there should be only one foundation, and the Government has to play a major role in its set-up and administration". The earlier foundation was to be incorporated in the new one.[39]

Not only is it important to acquire or confirm the allegiance of followers; it is also desirable to prevent existing ones from defecting. In the fluid political conditions in Sarawak and Sabah just after Malaysia was formed, there were several examples of "constrained beneficiaries", politicians who were induced by reward to support a certain party, but were then physically restricted for a period to prevent them from changing their minds.[40] The practice was revived later. Before the crucial vote on the removal of Dato Harun as Mentri Besar of Selangor, the National Front State Assemblymen were allegedly removed to a hotel in Fraser's Hill.[41] Two examples con-

[37] *Far Eastern Economic Review,* 20 June 1975, p. 7.

[38] See pp. 116-17. State foundations were set up later in Sarawak and Kedah.

[39] *New Straits Times,* 5 March 1976 (Dr Mahathir Mohamad).

[40] Milne and Ratnam, op. cit., pp. 336-9.

[41] *New Straits Times,* 26 March 1976.

cerned Sabah. Tun Fuad Stephens claimed in the Legislative Assembly, in August 1975, that sixteen USNO Assembly members had been sent away for two weeks' holiday before the Assembly met,[42] and, later, that, after Berjaya won the Sabah elections of 1976, Tun Mustapha removed his followers in the State Assembly to Kuala Lumpur.[43] The first operation was necessary to keep the minds of the Selangor Assemblymen fixed on their duty to the party, nationally, and to prevent their exposure to the counter-obligation of personal loyalty to the state leader, Dato Harun. The second and third were intended to prevent defections to Berjaya, the new party which threatened to end Tun Mustapha's control over Sabah.

Under such conditions, the advocacy of policies other than official ones is difficult, because it is often interpreted as criticism of the hierarchially-superior person concerned, rather than of the policy. Although even asking questions may be regarded as a sign of disrespect and therefore condemned as rudeness, there has been some change in the direction of greater freedom to criticize.[44] Tun Ismail observed in 1972 that UMNO members no longer followed leaders blindly.[45] Another UMNO official said that, although there was still deference face-to-face, at the UMNO General Assembly there could be loud expressions of disapproval of some remarks by even the party's top office holders. Other high party leaders have been criticized in delegates' speeches. One Minister who had mentioned his sacrifices for the party was asked by a later speaker what these sacrifices had been, in view of the size of his ministerial salary. Another comment was that if Tun Mustapha had moved over to Peninsular Malaysia to advance his political career, as at one time seemed possible, he would have found it hard to bear the possibility of open criticism at meetings such as the UMNO General Assembly, because he had become so used to receiving continual deference in Sabah.

In politics the general tendency, exemplified in the highest degree by Tun Razak, has been to proceed by indirection rather than by frontal assault. Traditionally, frankness is rare and courage is usually equated with foolhardiness, while skill and guile are esteemed.[46] The

[42] Ibid., 13 August 1975.

[43] *Malaysian Business,* June 1976, pp. 6-7.

[44] *Straits Times* (Singapore), 18 September 1974 (Datuk Musa Hitam).

[45] *Straits Times* (Malaysia), 30 June 1972.

[46] Mahathir bin Mohamad, *The Malay Dilemma* (Singapore, 1970), pp. 160-1; Gullick, op. cit., p. 125.

indirect approach may also take the form of using a spokesman to put forward one's point of view without committing one's self, for instance in sounding out another party about the prospects for a coalition or in expressing approval for moves in the direction of a one-party state. Even the Tunku, who is noted for his forthrightness, makes many comments on the present political scene in his articles in *The Star* in an indirect fashion. Direct comments would have made his contributions even more provocative than they were.[47]

The indirect approach has been especially common where dismissals from office are concerned. Dismissal is rarely abrupt, and has often been cushioned by the offer of another government post. The atmosphere is far from being "all or nothing" or "zero-sum".[48] "It has been said that UMNO members never drop a leader like a hot potato, but offer him the more face-saving device of letting him know very subtly that he is on the way out."[49] The removal of Encik Aziz bin Ishak by the Tunku was a lengthy process.[50] A similarly cautious approach was followed by Tun Razak in respect of Dato Harun. A long time before Dato Harun was charged with corruption in late November 1975 he was offered the post of Malaysian Permanent Representative to the United Nations,[51] which he did not accept. When Dato Harun was opposed, unsuccessfully, for re-election as UMNO Youth leader by Datuk Samad Idris[52] in 1974, Tun Razak did not associate himself with the attempt to unseat him. In due course, however, Dato Harun was charged, convicted and sentenced. A similar "slow" strategy was followed in securing the removal of Tun Mustapha as Chief Minister of Sabah. He announced early in September 1975 that he would resign with effect from 3 October. Before then a government official reportedly told a correspondent "the PM [Tun Razak] never makes a frontal attack. He prefers conciliation. But you'll see, everything will be over in two months. Mustapha will

[47] The DAP, a mainly non-Malay party, is relatively direct in its statements. But other parties still examine them for indirect allusions, which may never have been intended (*Far Eastern Economic Review,* 27 March 1971, p. 14).

[48] In addition to Lim Yew Hock and Abdul Rahman Talib (who was made Ambassador to Egypt), see von Vorys, op. cit., p. 392 (on Ibrahim Fikri). On Sarawak and Sabah, see R.S. Milne and K.J. Ratnam, op. cit., pp. 311-13.

[49] *New Straits Times,* 14 August 1975 (Datuk Musa Hitam).

[50] See p. 252.

[51] *New Straits Times,* 1 November 1975.

[52] *Straits Times* (Malaysia), 29 June 1974.

resign—if he doesn't we have other means."[53] Those who are earmarked for dismissal, for their part, are expected to observe certain rules: not to do damage to party solidarity and to exit without open acrimony.

Indirection may also take the form of using certain phrases resembling a "code", which have meaning only if the key to the code is known. Before the UMNO General Assembly of 1974, for example, there were many references to "provincialism", which were intended to support or attack particular politicians, while at the actual Assembly several code-words were used by Tun Razak and Datuk Hussein Onn, including references to "dragons" and "mousedeer" (linked with corruption) and "Robin Hoods", some of which were taken as indicating opposition to the candidacy of Dato Harun for the Vice-Presidency. On the other hand, more obvious references to the good work done by some other candidates, mentioned by name, were taken as indicating approval of their candidacies.

In some instances more direct strategies are used. Noordin Sopiee, referring to the formation of Malaysia, has remarked that quick and decisive action may sometimes be practised successfully. To give the impression of a *fait accompli,* he argues, tends to produce acquiescence and readjustment.[54] This seems to be a correct assessment. However, the context is rather different from the examples discussed previously. The formation of Malaysia was an exercise in foreign policy and diplomacy. Most of the cases mentioned earlier concerned personal relations between top leaders and other, less powerful, leaders who nevertheless had independent sources of support within the existing Malaysian political system.

Datuk Hussein Onn's political style, since becoming Prime Minister, is widely regarded as "decisive", although the decisive action follows careful weighing of the facts.[55] His action in having Dato Harun removed as Mentri Besar of Selangor is cited in support of this view.[56] So is his management of the UMNO General Assembly

[53] See *The Guardian* (London), 20 September 1975, quoted in Robert O. Tilman, "Mustapha's Sabah 1968-1975: The Tun Steps Down", *Asian Survey,* Vol. XVI, No. 6 (1976), p. 505.

[54] Mohamed Noordin Sopiee, *From Malayan Union to Singapore Separation* (Kuala Lumpur, 1974), pp. 250-1.

[55] Noordin Sopiee described him as "firm, forthright, tough, hard-hitting" (*New Straits Times,* 16 January 1976).

[56] See p. 229; also *Far Eastern Economic Review,* 9 April 1976, pp. 14-16.

in 1976.[57] But it is doubtful if the quiet and effective way in which he handled the Sabah elections in 1976[58] differed very much from the style Tun Razak would have employed to complete his plans for ending Tun Mustapha's rule in Sabah. An explanation of his "decisiveness", in terms of the previous discussion, might be that as he returned to the political scene only comparatively recently his actions *vis-à-vis* other politicians are affected by fewer personal considerations than if he had been active in politics continuously over a long period. There was a double contrast between the political activity of Datuk Hussein Onn and that of Tun Razak. Datuk Onn's style was indeed, on the whole, more direct. The political arena in which he operated was also more strenuous than the Razak arena, possibly partly a consequence of the new prime ministerial style.

National Unity

Assimilation: Integration

However successful a government may be in providing services for the people and meeting their material wishes, it is also desirable that, in turn, the people should feel loyal to their country. The Malay-Chinese "bargain" aimed at a mechanical balance between ethnic groups, and the subsequent formation of Malaysia represented an even more intricate, and no less mechanical, attempt to create a balance. Beyond this, what are the prospects of attaining a genuine sense of nationhood in Malaysia? Ethnic divisions, obviously, constitute a major obstacle.

A sense of nationhood, although essentially subjective, has often been said to be dependent on a history of shared experiences. But this is not possible in Malaysia, because Malays and Chinese do not share "a heritage of common suffering and common rejoicing in the past".[59] Therefore, in order for a sense of nationhood to exist, which will help to break down communal barriers, the task of nation-building must be deliberately undertaken. Given the communal situation, there would seem to be four main possibilities, analytically: assimilation of the various communities; accommodation of the communities on the basis of leaving things as they are; partition of the

[57] Ibid., 16 July 1976, pp. 10-12.

[58] See pp. 212-15.

[59] Tan Cheng Lock, *Malayan Problems from a Chinese Point of View* (Singapore, 1947), p. 119.

country; or chaos.[60] Because of the ways in which the various communities are distributed geographically, partition would hardly be practicable, except in the limited sense in which a separated Sabah and/or Sarawak would constitute partition, and a separated Singapore constituted partition in August 1965. Chaos is certainly possible, if one of the other possibilities were tried unsuccessfully. Complete assimilation would be difficult. It might have been a possible policy if the proportion of Chinese had been smaller, and if Chinese culture had been less venerable and less admired. Even in Thailand, where the proportion of Chinese is lower, assimilation has not been complete,[61] although cultural differences between the Thais and Chinese are fewer than those between Malays and Chinese, and although a major obstacle to assimilation, the dividing line of Islam, is absent. But in Malaysia total assimilation of the Chinese would be impossible except in the very long run. Chinese attachment to Chinese tradition and culture and to China itself as a world power, irrespective of whether or not it were communist, would be too strong. It would be very difficult even for the Indians, who form a much smaller proportion of the population.[62] The situation is more complex in Sarawak and Sabah.[63] The political leaders in Peninsular Malaysia originally believed that the natives in these countries were more similar to the Malays than in fact they were. The relative underdevelopment of the natives, which made constitutional guarantees desirable but which also made them not very productive, was a temptation to a central government to pursue as assimilative a policy as was practicable. In fact, the Central Government, after some initial difficulties, learned how to handle relations with the Borneo states quite

[60] Cf. K.J. Ratnam, "Government and the Plural Society", *Journal of Southeast Asian History,* Vol. II, No. 3 (1961), pp. 1-10; Ian Morrison, "Aspects of the Racial Problem in Malaya", *Pacific Affairs,* Vol. XXII, No. 3 (1949), p. 252.

[61] R.J. Coughlin, *Double Identity: The Chinese in Modern Thailand* (Hong Kong, 1960), pp. 195-9.

[62] On the difficulties of a policy of assimilation see David S. Gibbons, "National Integration and Cultural Diversity: the Case of Malaysia", in *Development in Southeast Asia; Issues and Dilemmas,* S.S. Hsueh, ed. (Hong Kong, 1972), pp. 115-43. Means points out that rapid assimilation through non-Malays learning the national language might be unwelcome to some Malays because it would remove a comparative advantage (op. cit., p. 411).

[63] James P. Ongkili, "East-West Malaysian Integration" (paper delivered at the Malaysian Economic Association Second Malaysian Convention, Kuala Lumpur, 26-30 March 1975).

satisfactorily. Its disputes with Tun Mustapha in the 1970s were not of its making. The Orang Asli (aborigines) in Peninsular Malaysia, although they number only about 50,000, have presented even more difficult problems because of their low degree of development.

In fact, the Central Government has rejected the idea of outright assimilation, which suggests turning all other races into Malays, and would be unacceptable and unrealistic in the Malaysian context.[64] According to Tun Razak, ". . . the government policy on national unity is not by process of assimilation but by integration, that is, by mutual adjustment of diverse cultural and social traits, acceptable to all races in the country".[65]

Although the idea of assimilation has been rejected, it has been made plain that, socially as well as politically, the policy of integration assumes a "native", that is a Malay, base. It has been well said that "Malayan [now Malaysian] nationalism" consists of two parts, "a nucleus of Malay nationalism enclosed by the idea of a Malay-Chinese-Indian partnership".[66] Since the formation of Malaysia this outer ring would also include contributions from Sarawak and Sabah. This point has been underlined by both Tun Razak and Datuk Hussein Onn, with important amplifications. Tun Razak carefully underlined that the base, Malay culture, was a culture in its own right, not just an extension, historically, of Hindu and Buddhist influences.[67] He also stressed that many of the more recent cultural influences in Malaysia were no longer in their original form, and that often they were not being preserved in their own country of origin.[68] Datuk Hussein Onn stated that the national culture being evolved could absorb suitable elements of foreign cultures, including Chinese and Indian elements. However, he added that these elements must not conflict with the principles laid down by the 1971 National Cultural Congress,[69] and

[64] Datuk Musa Hitam, "Political Forum", *Opinion,* Vol. 1, No. 11 (1968), p. 155.

[65] *Straits Times* (Malaysia), 16 May 1972.

[66] Wang Gungwu, "Malayan Nationalism", *Royal Central Asian Journal,* July-October 1972, Parts 3 and 4, p. 321. See also Victor Purcell, *Malaya, Communist or Free?* (London, 1953), p. 249.

[67] *Straits Times* (Malaysia), 22 January 1972. He was not reported as having mentioned the role of Arab influence. See also *Malayan Thung Pau,* 8 February 1975, quoted in *Intisari Akhbar Harian* (statement by Selangor MCA Youth).

[68] *Straits Times* (Malaysia), 1 December 1972.

[69] *Kongerres Kebudayaan Kebangsaan* (University of Malaya, 16-20 August 1971). In 1976 a National Advisory Council on Culture was established to implement these principles (*New Straits Times,* 4 June 1976).

also stressed the importance of Islam in the formation of the national culture.[70]

Like other non-Malay groups, the Chinese, including the MCA, were greatly concerned over the preservation of Chinese culture.[71] The issue was closely bound up with the language and education issues, and these in turn were persistently pursued by Chinese education interest groups and by the Chinese Press. Particular manifestations of Chinese culture, such as the lion dance, aroused deep feelings because they had become symbolic of the whole future of Chinese culture.[72] The general point of the importance of a national culture in which Chinese culture did not play the main role was conceded. But beyond that the MCA stand was quite tough. In his Presidential Address, 1975,[73] Datuk Lee San Choon said that the MCA was not interested in "tokenism or gestures, unless it is also accepted that ours is a country with a multi-cultural tradition". Chinese cultural traditions were old and could not be changed or condemned into oblivion overnight. A Malaysian-Chinese Culture Centre[74] was proposed to promote and advance Chinese cultural traditions. Later Datuk Lee wanted ground rules to be established so that Chinese cultural development could be removed from the political arena and thus progress constructively.[75]

Language, Education, Religion

The ways in which government policies differed from assimilation may be seen in the fields of language and education. Both of these were regarded as important instruments for promoting a Malayan

[70] *New Sunday Times,* 15 February 1976.

[71] See, e.g.: Tan Tiong Hong, "Integration: Problems of Nation Building in a Plural Society" (paper delivered at the Malaysian Economic Association, op. cit.); *The Guardian,* Vol. 5, No. 1 (1973), pp. 4, 9 and 10 (Teh Hock Heng).

[72] See articles in the Chinese Press, September and October 1973. In 1975 conditions for lion dances during the Chinese New Year were announced. Only registered associations and guilds could perform them, and only during the first and second days of the New Year. There were also limitations regarding areas, time limits and rewards (*New Straits Times,* 1 February 1975). Interestingly, a year later a Deputy Minister, Datuk Mohamad Rahmat, called on non-Chinese to learn and perform the lion dance (*The Guardian,* Vol. 8, No. 1 (1976), p. 8).

[73] Ibid., Vol. 7, No. 7 (1975), p. 6.

[74] *Report of the Sub-Committee on Malaysian-Chinese Cultural Centre (MCCC) set up 14 September 1974* (MCA, n.d.). Building of the Centre began in 1976.

[75] *The Star,* 6 March 1977.

(Malaysian) identity. There was to be accommodation in the short term with integration over a longer period, but not to the extent of making non-Malays drastically alter their way of life or abandon their cultural heritage. In the Borneo states integration was to be even more gradual.

The original provision about language in the Constitution was that, unless Parliament decided otherwise, only the National Language, Malay (Bahasa Malaysia), could be used in Parliament and state legislatures after 1967.[76] This was to allow non-Malays time to learn the National Language. But it was also intended to allow the National Language to develop and standardize its vocabulary. This function was performed by the Dewan Bahasa dan Pustaka, set up in 1959, which also printed, published and translated books, developed literary talent and held campaigns to spread the use of the language.[77] As 1967 approached, pressures mounted from opposite directions.[78] The Dewan Bahasa, PAS, Malay teachers and some sections of UMNO were ranged against Chinese educational associations, elements of the MCA, and pro-non-Malay opposition parties. The National Language Act of 1967 was a compromise. The first section provided that the National Language would become the sole official language, but the third section said that the King might "permit the continued use of the English language for such official purposes as may be deemed fit". [79] The consequence was that English continued to be used almost exclusively in the courts and to a lesser extent in legislatures and in official transactions. To be sure, an immediate switch to the National Language would have meant a drop in efficiency. But this was not a reason for compromise, according to the Director of Dewan Bahasa, Syed (later Tan Sri Syed) Nasir bin Ismail, and this opinion was shared by Malay teachers and many students at the University of Malaya.[80]

[76] For the Borneo states, see pp. 62-3.

[77] Von Vorys, op. cit., pp. 200-3; Wan A. Hamid, "Religion and Culture of the Modern Malay", *Malaysia—a Survey,* Wang Gungwu, ed. (New York, 1964), pp. 187-8.

[78] Von Vorys, op. cit., pp. 202-10; Margaret Roff, "The Politics of Language in Malaya", *Asian Survey,* Vol. VII, No. 5 (1967).

[79] The MCA claimed credit for this section (Wong Kuan Lee, "Constitutional Developments and the Chinese", *MCA 25 Tahun 1949-1974* (Kuala Lumpur, 1974), p. 22).

[80] Obviously, they did not agree with a 1964 quotation from the Tunku: " 'Although we may not be able to implement Malay 100 per cent as the sole official language by 1967, we are confident that we can implement it at least 90 per cent. After all,' he

Feeling ran high, and at one point it appeared that Syed Nasir might be expelled from UMNO. However, the immediate crisis died down with his resignation from the Supreme Executive Council. Nevertheless, the language issue, combined with education, was emotionally, culturally and vocationally important to Malay teachers and students, and only two years later discontent revived in an acute form, especially among students.[81]

The 1967 Act left uncertain the exact degree to which the National Language would be used. But after 1969 the area of ambiguity was sharply reduced. The scope of "official purposes" in the 1967 Act, and in Article 152 of the Constitution, was clearly defined in the legislation put before Parliament when it resumed meeting in 1971.[82] In the accompanying debates it was made quite clear that any direct, or even indirect, attack on the National Language as the sole official language would not be tolerated.[83]

Since then the National Language has been increasingly used for official purposes, in Parliament[84] and in the courts.[85] It continues to be developed by the Dewan Bahasa in consultation with the universities[86] and the Ministry of Education. The "sophistication" of the language for scientific purposes is therefore being improved; at the same time the importance of English as a second language has been stressed.[87] Bahasa Malaysia is not yet very much used in the business world. Bahasa Malaysia has also undergone modification by virtue of consultations with Indonesia to ensure standardization.[88]

added with a laugh, '90 per cent is almost as good as 100 per cent' " (*Straits Times,* 4 December 1964).

[81] See p. 88.

[82] See p. 97.

[83] *Parliamentary Debates on the Constitution Amendment Bill 1971* (Kuala Lumpur, 1972), pp. 178-9 (Tun Ismail). See also his statement on the topic, *Straits Times* (Malaysia), 18 July 1969.

[84] See p. 231.

[85] *New Straits Times,* 11 October 1974, and 14 May 1975.

[86] *Straits Times* (Malaysia), 3 December 1971. There had previously been some disputes between the Dewan Bahasa and the universities on the topic.

[87] *New Straits Times,* 31 March 1975 (Dr Mahathir).

[88] By early 1976 the spelling system had been standardized but the formulation of terminology, for example in the sciences, was still proceeding (*New Sunday Times,* 15 February 1976).

The greatest public reaction from non-Malays was on the subject of lettering on signboards in Chinese. In early 1973 there were protests against the removal of Chinese lettering on signboards in Petaling Jaya and other places. At the same time, it was evident that, at least in Kuala Lumpur and Petaling Jaya, many signboards were in several languages but that no priority was given to Malay. The relevant specifications were spelt out by Tun Ismail, but implementation seemed to vary in different places.[89] Perhaps the climax of Chinese dissatisfaction on this issue was reached in April 1974 when Chinese lettering on signboards at a Japanese exhibition in Kuala Lumpur was erased, resulting in a peaceful demonstration of over a thousand, including an MCA Member of Parliament.[90]

As already indicated, there were constitutional provisions on language for the Borneo states; English could be used for official purposes in the two states until at least 1973. Sabah, which under Tun Mustapha had been most energetic in promoting Bahasa Malaysia, made it the sole official language in September 1973. In Sarawak, where Malay was less extensively known, the Government was more cautious; it was decided in March 1974 that Bahasa Malaysia would be an official language alongside English until 1980, and thereafter would be the sole official language.

A special and vital aspect of language concerned its role in education. Soon after Independence, and after a number of reports on education,[91] the principle was proclaimed that Malay would be the main medium of instruction in all government schools, except for the teaching of other languages. It was made a compulsory subject of study in all government schools, as was English. In practice, the medium of instruction in primary schools could be any one of the four languages: Malay, English, Chinese, or Tamil. In secondary schools, it was limited to Malay or English. As the policy unfolded there was great opposition from Chinese sources when parents were faced with the choice of either sending their children to government-assisted schools, in which the medium of instruction was not Chinese, or to an

[89] *Nanyang Siang Pau,* 8 February 1973, quoted in *Intisari Akhbar Harian.*

[90] *Sin Chew Jit Poh,* 4 April 1974, quoted in *Intisari Akhbar Harian.*

[91] Notably the Report of the Education Committee (1956) and the Report of the Education Review Committee (1960). These were chaired by Tun Razak and Encik Rahman Talib, respectively (see R.H.K. Wong, "Education and Problems of Nationhood", op. cit., Wang Gungwu, ed., pp. 199-209; Means, op. cit., pp. 202-3 and 217; von Vorys, op. cit., pp. 210-18).

"independent" school where they would be taught in Chinese but without government financial support. By about 1963 opposition had greatly decreased.[92] The financial advantages were appreciable, and time was allowed in the curriculum of the government secondary schools for teaching Mandarin. The overwhelming majority of Chinese secondary schools therefore chose to convert and to receive government aid. The pre-1969 system was ambiguous[93] in that it was not clear when and how the principle of making Malay the main medium of instruction would be carried out.

An important step in reducing ambiguity about the implementation of this principle was taken in July 1969 when the Education Minister, Datuk Patinggi Haji Abdul Rahman Yakub, announced that English would be replaced by Malay one year at a time, from primary school to university.[94] The Government concluded that it had been "soft" in carrying out its education policy,[95] and, as in language policy generally, had chosen to take a tougher line. However, it faced many obstacles. A massive programme of training and re-training teachers had to be undertaken. Among other things, the "Dropout Report" showed the effects of poverty on school enrolment, and drew attention to the needs of primary schools in rural areas.[96] The Government also decided on measures to encourage rural Malays to study mathematics and science,[97] such as building residential schools for the use of children from rural areas. As well as these organizational

[92] Initially, reactions to the Razak Report had contributed to the MCA's difficulties in 1959 (see pp. 138-9). There was a revival of Chinese uneasiness on language around 1965, probably arising from the unsettling effect of PAP intervention in the 1964 elections and the approach of legislation on language in general, due to be passed in 1967.

[93] Cynthia H. Enloe, *Multi-Ethnic Politics: the Case of Malaysia* (Berkeley, 1970), p. 44.

[94] See p. 88; Datuk Hussein Onn, "Our Education Policy", *Alliance Seminar for MP's, Senators and Members of State Legislative Assemblies at Dewan Bahasa,* February 1971 (mimeo.).

Sarawak and Sabah had their own educational systems which were gradually integrated into the Peninsular Malaysian system by 1976. As with language, the use of Malay as a medium of instruction was adopted more quickly in Sabah than in Sarawak.

[95] *Straits Times* (Malaysia), 18 July 1969 (Tun Ismail).

[96] *Lapuran Jawatankuasa di atas Kajian Pendapat mengenai Pelajaran dan Masyarakat (Lapuran Keciciran)* (Kuala Lumpur, 1973). It is summarized in *Straits Times* (Malaysia), 11 May 1973 and analyzed by Noordin Sopiee, ibid., 1-6 June 1973.

[97] See p. 340.

difficulties, other problems arose from non-Malay reactions against educational policy. A bitter source of complaint in the early 1970s was the high number of failures in the Bahasa Malaysia paper in the MCE (Malaysian Certificate of Education) examination. Over half the candidates who failed the examination in 1970 did so because they failed this paper. In 1972 the corresponding figure was two-thirds, nearly all of whom were non-Malays.[98] There was also a high failure rate in science among Malay pupils in 1972, but adverse reactions to this did not have the same ethnic edge as to the Bahasa Malaysia failures, being attributed mainly to the low quality of the teaching and not to government policy.

Another source of anxiety to many Chinese was the continued existence of Chinese primary schools.[99] By the Education Act of 1961 the Minister of Education could convert such schools from Chinese (or Tamil) to Malay. The MCA was outspoken on this issue, Tun Tan Siew Sin declaring that the "existence of the party is synonymous with the existence of the primary schools. In short we sink or swim together."[100] In October 1975 the Minister (Dr Mahathir) said that he would not use these powers without giving due regard to public sentiments.[101] Soon after 1969 there was an increase in the number of independent Chinese secondary schools,[102] widely identified as a defensive reaction to the post-1969 switch from English to Malay. The movement to expand these schools was promoted by the United Chinese School Teachers' Association and the All-Malaya Chinese

[98] *Straits Times* (Malaysia), 20 July 1971 and 4 April 1973; *The Rocket*, Vol. 8, No. 1 (1973) (Encik Lim Kit Siang); *Speech by Dr Tan Chee Khoon on the Debate on King's Speech on 14.4.73* (Kuala Lumpur, 1973), pp. 5-7. The percentage of passes for 1973 was much higher.

[99] There was not the same degree of support for the teaching of Tamil in Tamil primary schools. P.P. Narayanan, Chairman of the Memorandum Committee on Educational Problems of Malaysian Indians, advocated the increased use of Bahasa Malaysia in Standards Four to Six in these schools (*New Straits Times*, 30 May 1975). This proposal seems to have been prompted by the low quality of education in some of these schools and the importance of getting a better grounding in Bahasa Malaysia.

[100] *Straits Times* (Malaysia), 30 December 1973.

[101] *New Straits Times*, 28 October 1975. The intensity of feeling about the Chinese primary schools was shown by a mid-1973 Chinese Press campaign (which was eventually successful) for the removal of a headmaster who did not understand Chinese.

[102] *Malayan Thung Pau*, 18 December 1973, quoted in *Intisari Akhbar Harian*.

School Management Committees' Association,[103] and was supported by the DAP. Other themes which were prominent in the early and middle 1970s were the employment and training of Chinese temporary teachers and demands that degrees from Taiwan and from Nanyang University (Singapore) should be recognized for purposes of employment.

All these issues created headaches for the MCA. It had to keep close to grass-roots feelings, and yet act responsibly as a member of the National Front (Alliance); in the latter capacity it could hope to obtain concessions from the Government, for example for failed candidates in the MCE. It ran into further trouble, incurring the wrath of the two Chinese teachers' and school management committees' associations, by its memorandum to the ministerial committee on the educational system, which committed the party to the view that "Bahasa Malaysia will constitute the main medium of instruction in the education system in Malaysia, taken as a whole from primary education up to tertiary education".[104] These issues, charged with emotion and nourished by the memory of former battles over the entire complex of cultural questions, remained prominent long after the top leadership had become convinced that the MCA's energies should be concentrated mainly on the economic front.[105]

Language and education policies have been consciously directed towards the objective of national unity. But in Peninsular Malaysia religion has not been used aggressively as an instrument for achieving it.[106] To be sure, Malay leaders have differed in the degree to which they have publicly expressed religious devotion. Tan Sri Jaafar Albar was among the most vocal, for instance in stating the view that UMNO was an Islamic party.[107] There is a Malaysian Muslim welfare

[103] *Sin Chew Jit Poh,* 17 December 1973, quoted in *Intisari Akhbar Harian.*

[104] *Memorandum on the Review of the National Education System in Malaysia Submitted by the Malaysian Chinese Association Education Bureau* (Kuala Lumpur, January 1975), para. 55. Paras. 49 and 50 were also objected to. See also: *The Guardian,* Vol. 7, No. 4 (1975), pp. 1 and 7; *The Sunday Star,* 25 May 1975.

[105] See pp. 345-8.

[106] There are several governmental religious bodies, notably the Religious Affairs Division of the Prime Minister's Department and the National Islamic Council of Religious Affairs. In the 1970s the name "Red Cross" was changed to "Red Crescent" and Islamic prayer calls were broadcast over television and radio (*The Vanguard,* 19 July 1974).

[107] *New Straits Times,* 3 January 1977.

organization, PERKIM (Persatuan Kumpalan Islam Malaysia), formed in 1961, which has recently been active under its President, the Tunku, receiving donations from Arab countries as well as from the states of Malaysia. One of its main functions has been to increase the number of Muslims, but its activities have been in a low key. This was in striking contrast to Sabah,[108] where an editorial stated that Tun Mustapha had repeatedly said that unless the multi-racial people in Sabah and the rest of Malaysia were of one religion there could not be unity in the nation.[109]

Other Institutions and Programmes for Promoting National Unity

Some other institutions which promote national unity have already been mentioned. The King is a focus for national loyalty. So was the Tunku when he was Prime Minister, being partly Thai by birth and with adopted Chinese children. The Rukunegara[110] is hard to implement, especially in the short run, but, ideally, it is meant to provide the nation with "a vision, a common consciousness and shared beliefs progressing towards a common and shared valuation system, with normative rules for politics and way of life".[111] The New Economic Policy, and in particular its provisions for manpower redeployment, was also intended to create a united society. In the political sphere the formation of the National Front was a step to national unity. In 1976 Datuk Hussein Onn referred to some of these factors (as well as educational policy) in denying that the DAP proposal for a Royal Commission to enquire into national unity was needed. He also made the point that *all* aspects of government policy were geared to national unity.[112]

Attempts to coordinate government policy towards this end began soon after May 1969, with the formation of the Department of National Unity, intended to scrutinize all government programmes in relation to social integration and national unity.[113] Since then there

[108] See p. 116.

[109] *Kinabalu Sabah Times*, 20 February 1973.

[110] See pp. 92-4.

[111] *New Sunday Times*, 4 January 1976 (Tan Sri Ghazali Shafie).

[112] *New Straits Times*, 9 April 1976.

[113] Tan Sri Ghazali Shafie, "Towards a Motivated Society", *Development Forum*, Vol. II, No. 1 (1969), p. 3; p. 92.

have been changes. In October 1974 the Department became a Board (consisting of sixteen members), although the Minister, Tun Sambanthan, remained as Chairman of the Board, and the former secretary was also retained.[114] The functions of the organization have also become more clearly defined. The scrutiny of government programmes has been largely taken over by organizations in the Prime Minister's Department. The Board is responsible for running national solidarity classes throughout the country, including Sarawak and Sabah, which teach Bahasa Malaysia and civics. In urban areas it has launched a community relations programme with an emphasis on reviving and sharing cultural traditions and encouraging games such as marbles, kite-flying and also skating.[115] It has also promoted television programmes, including Kuiz Perpaduan, a quiz competition for students in national unity classes. The Board conducts research, for instance into New Villages and into popular attitudes to mixed marriages, and publishes two journals, *Balai Muhibbah* (fortnightly) and the more intellectual *Negara*. The Board considers proposals to further national unity, for instance to do away with the requirement on some government forms to state a person's racial affiliation. After each meeting of the Board, a report and recommendations are sent to the Prime Minister. A distinctive activity, which may produce ideas leading to recommendations, is the holding of dialogues on particular topics, such as student problems, Chinese education and so on. These are intensive informal three-day sessions in the secluded atmosphere of Fraser's Hill. In this kind of setting serious discussions are possible whereas in a public forum denunciation would have been only too likely to prevail over dialogue.

Apart from the National Unity Board, there are other government organizations which work to promote national unity, particularly the Ministry of Information. Radio and television programmes are of special importance. When Tan Sri Ghazali Shafie was Minister in the early 1970s he ensured that Bahasa Malaysia was used in introducing programmes in other languages, and radio programmes were so arranged that a single channel did not always broadcast items in the same language. An article on the forthcoming television programmes for 1975 said that TV Malaysia saw its primary role as promoting

[114] *New Straits Times,* 29 October 1974. No representative from Sabah was named before the change of government there in 1976.

[115] The community relations programme in Kuala Lumpur was elaborate, involving liaison with numerous organizations (ibid., 27 January 1975).

national consciousness and unity. For instance, plays in one programme tried to project concepts of "harmonious race relations, crime does not pay, loyalty to country, rule of law and belief in God".[116] A conscious effort is made by authors of plays and stories for these media not to show the races as compartmentalized. There has been no great change in the amount of Chinese and Tamil used on radio and television, although the Press in these two languages has contained some complaints. In Sabah a particularly unpopular decision was to cease using all languages except Bahasa Malaysia and English on the media from the start of 1974.[117] When Berjaya was formed, its secretary-general stated that these languages would be reintroduced if the party came to power.[118]

There are other occasions when there are opportunities to advance the cause of national unity. At the 1974 National Day Parade, for instance, a "centrepiece" designed by students of the MARA Institute of Technology was meant to symbolize national unity and other government objectives.[119] There are ways in which "stage management" can contribute to national unity, for instance by arranging that a particularly prominent person in a military part of the display will be a Chinese. If such a choice were not deliberately made, all kinds of other criteria other than nation-building might be used, such as rank or seniority.[120]

Many of the measures just discussed are psychological insofar as they aim to alter perceptions of ethnic groups by other ethnic groups and the feelings of persons and groups towards the nation and national symbols. Others, such as the community relations programmes, also contribute towards interaction between persons belonging to different ethnic groups. Similar effects will follow increased urbanization and the restructuring of local government.[121] However, for the immediate future ethnic groups may interact for certain limited purposes of commerce or government, but generally

[116] *New Sunday Times,* 20 October 1974.

[117] *New Straits Times,* 12 November 1973.

[118] Ibid., 22 July 1975.

[119] Ibid., 30 August 1974.

[120] Some National Day Parades have been criticized by the Chinese Press because of insufficient Chinese representation (*Sin Chew Jit Poh,* 17 September 1973, quoted in *Intisari Akhbar Harian*).

[121] The increased interaction will intensify certain problems (see p. 380).

will continue to lead separate social lives.[122] For some time psychological and physical separateness will cause ethnic emotions and stereotypes to persist.

Aspects of Communalism: Communal Competitiveness; Proporz

In Malaysia it has proved impossible to separate most issues from communalism, because they nearly all have inescapable communal implications, Where political questions are concerned, this is obviously so. Clearly, for example, the delimitation of constituency boundaries must affect ethnic representation. Economic questions are no different. If capitalism, in the sense of economic exploitation, is under criticism, then, outside the northeast coast of Peninsular Malaysia, the landlords and middlemen who are attacked are likely to be Chinese, or Indian. If equality is discussed, the conclusions will be shaped by the view the participants take of Article 153 of the Constitution, which provides for the "special position" of the Malays. The subject of land is suffused with communal emotions. The sentiment of bumiputra attachment to the land is strong, but even settlement schemes for Malays may evoke misgivings because the mainly Chinese contractors, engaged to clear the land, may gain the most immediate financial advantage. Similarly, the feeling of natives about land in Sarawak has made it very hard for Chinese to acquire land there legally,[123] which has greatly influenced their political behaviour.

Benefits conferred on one ethnic group may trigger off something like a competitive chain reaction. During the Emergency when the Chinese squatters were resettled in New Villages they complained because they had been uprooted. When the New Villages were made more comfortable to live in by the provision of certain services, such as schools and roads, there were complaints from the Malays that they were being neglected by comparison. So there was a drive for rural development, largely Malay, symbolized in the famous "Red Book" in which rural projects were listed for each area. By 1962 Chinese complaints that they had been left out of the rural development schemes had become so general that it was decided to extend the Red

[122] See William H. Newell, *Treacherous River* (Kuala Lumpur, 1962), pp. 34-40, describing the relations between a Malay community and a Teochew community.

[123] Milne and Ratnam, op. cit., pp. 215-19.

Book to the New Villages. Even items which might seem trivial to the casual observer are regarded in a competitive context. Referring to the practice by which the import duties on mandarins, tangerines and oranges have usually been relaxed during the Chinese New Year, in 1973 the UMNO Jelutong Branch requested that the duty on imported dates be lifted, because, like oranges for the Chinese, they had a religious significance for Muslims.[124] The process has some resemblance to the "demonstration effect" by which habits of consumption spread from one individual or one country to another; inside Malaysia there was something like an "ethnic demonstration effect" in which goods or benefits were not sought on the market but were requested from the *Government*.

There has also been "borrowing" of *ideas* by one group from another. The MCA, for example, took the idea of a "mental revolution" from UMNO.[125] The party, impressed by the potential of bodies like PERNAS, UDA and MARA for helping Malays in business, also decided to launch rather similar large corporations to help the Chinese fulfil their obligations under the NEP.[126] In contrast to previous practice, ethnic allocations were now sometimes explicit and quantitative, notably the 30-40-30 ratio for ownership contained in the Second Malaysia Plan.[127] The change stimulated non-Malays to make a claim for numerical allocations in spheres where they felt they were under-represented. The MCA, for example, at its 1975 General Assembly, passed resolutions asking for admission to land schemes, recruitment to the security forces, and admission to the universities to reflect the racial composition of the country.[128] The MIC "Economic Blueprint" also wanted this principle to be applied comprehensively.[129] Other areas in which non-Malays asked for "proportionate" allocations included civil service appointments,[130] recruitment of

[124] *Straits Times* (Malaysia), 16 January 1973.

[125] See p. 333, fn. 43.

[126] See pp. 346-7. In turn, in 1977 UMNO set up a cooperative society, Koperasi Usaha Bersatu Malaysia Berhad (*Far Eastern Economic Review,* 10 June 1977, p. 26).

[127] See pp. 337-8.

[128] *The Guardian,* Vol. 7, No. 7 (August 1975), pp. 4 and 8.

[129] See p. 347.

[130] Dr Tan Chee Khoon, op. cit., pp. 3-5; Chandrasekaran Pillay, "Protection of the Malay Community: a Study of UMNO's Position and Opposition Attitudes" (M.S.S. Thesis, Universiti Sains Malaysia, 1974), pp. 304 and 364, fn. 130.

nurses, admission to teacher training courses, the composition of integrated local government councils, and, rather less susceptible to numerical calculation, a 40 per cent share for Chinese culture inside the national culture.[131] Although the Government has not explicitly acknowledged the validity of such arguments,[132] they represent an interesting application of the notion of *Proporz,* which in some smaller European countries is used by governments to make allocations of government positions on the basis of membership of particular groups.[133] The original bargain, after all, corresponded to a kind of overall unquantified *Proporz.*

Stability: The Effects of "Mobilization"

Much of this book has been concerned with problems arising from ethnic divisions in Malaysia. Plainly, the road to building a Malaysian nation will necessarily be a long one. In the meantime, what is to hold Malaysia together psychologically? What are the sources of loyalty to the country as opposed to acquiescence in the actions of government? Clearly, mere acquiescence is not enough. The internal communist threat and the future possibility of external intervention make it imperative that there should be some positive loyalty. An answer to this question is suggested by Lipset's hypothesis[134] that effectiveness may be a short-term substitute for legitimacy. Malaysia does, in fact, enjoy a high level of effectiveness. Bureaucratic performance compares favourably, in speed and lack of corruption, with that of most neighbouring countries. Gross National Product per head is the highest in Southeast Asia with the exception of Singapore and fortuitously well-off Brunei. Provided that the GNP is reasonably fairly distributed, the level of effectiveness should remain high. The emphasis in the Third Malaysia Plan on the reduction of poverty is encouraging in this respect.

However, any country's achievement of "effectiveness" must be

[131] *The Guardian,* Vol. 5, No. 1 (1973), p. 9 (Teh Hock Heng).

[132] Indeed, on one occasion there was an express denial that such "political" considerations were operative. Commenting on the arrests of the six politicians in 1976 (see p. 218), Tan Sri Ghazali Shafie denied that the arrest of the three Chinese concerned represented an attempt to "balance up" ethnic groups or parties (*New Straits Times,* 29 January 1977).

[133] J. Steiner, "The Principles of Majority and Proportionality", *British Journal of Political Science,* Vol. 1, No. 1 (1970).

[134] Lipset, op. cit., pp. 77-83.

based mainly on economic growth, and to do this it must go through a process variously described as "social mobilization" or "modernization". Karl Deutsch has defined mobilization as "an overall process of change, which happens to substantial parts of the population in countries which are moving from traditional to modern ways of life".[135] The mobilization process threatens stability. Malaysia, according to Deutsch's argument, would face even greater prospects of instability, because it contains a high proportion of persons who are mobilized for relatively more intensive communication, but who are not "assimilated" in that they do not speak Malay. According to him, a large proportion of such persons in the population indicates a high probability of conflict.[136]

In Malaysia mobilization has taken various forms, notably urbanization; there is a rising proportion of Malays in urban areas, which has brought persons of different ethnic groups into increasingly competitive situations, economically.[137] Other effects of mobilization have occurred in a context which is wholly or predominantly Malay. One observer wrote of a Malay village in Johore, 1965-67: "Sungai Raya's sources of political information and politicizing experiences have aroused expectations which the Government will be unable to meet in the near future—and which it may never fulfil."[138] The student unrest and demonstrations in 1974-75 were also manifestations of mobilization, as were their protests in combination with Baling peasants.[139]

Writers on Malaysia have sometimes assumed that ethnic divisions in politics are in some way unnatural while class divisions are

[135] Karl W. Deutsch, "Social Mobilization and Political Development", *The American Political Science Review,* Vol. LV, No. 3 (1961), p. 493.

[136] Karl W. Deutsch, *Nationalism and Social Communication* (Cambridge, Mass., 1953), pp. 100-4.

[137] See p. 348. See also the prescient article by Cynthia Enloe: "Issues and Integration in Malaysia", *Pacific Affairs,* Vol. LI, No. 3 (1968). Generally on this theme, see Robert Melson and Howard Wolpe, "Modernization and the Politics of Communalism", *The American Political Science Review,* Vol. LXIV, No. 4 (1970).

For a good description of the stresses produced by "modernization" in Malaysia, see Tengku Razaleigh's speech, *New Straits Times,* 12 April 1975: "As a developing country amidst these traumatic changes, Malaysia is exposed to conflicting influences and ideas. Its survival depends on its ability in withstanding these stresses."

[138] Marvin L. Rogers, "The Politicization of Malay Villagers", *Comparative Politics,* Vol. 7, No. 2 (1975), p. 224.

[139] See p. 227.

natural.[140] This assumption is possibly strengthened by an author's own political views—that ethnic divisions are particularly undesirable, or that class divisions are particularly desirable, or both. Because of Malay predominance in politics, the appearance of class divisions among Malays would be of special significance. However, the political history of Malaya/Malaysia indicates that such divisions have not become politically salient. Also, a recent survey finds an absence of class awareness among Malays, as well as among other groups, in situations where they might have been expected, namely where "individuals exploit others of the same ethnic group or where there is a marked superordinate-subordinate distinction . . .".[141] Traditional loyalties have undoubtedly contributed to this state of affairs.[142] The shape which political competition has assumed and the basis on which political parties were established, has also focused attention on ethnic divisions, even though this emphasis has been softened since 1969. This is not to deny that there are tensions and grievances between some poor Malays and some rich Malays. Such differences become particularly plain in the absence of large numbers of Chinese, where there is a Malay-Malay economic relationship as occurs in Kelantan.[143] It would also make sense to describe the difference between UMNO and PAS leaders in Kelantan in terms of the distinction between an elite and a sub-elite. But analysis of the Kelantan situation predominantly in class terms would be much less persuasive.

In Malaysia generally, a deep division between rich and poor Malays (and particularly between the new rich and the poor) could occur if the NEP had the effect of sharing out rewards very inequitably. Class consciousness could be aroused, which might be followed by class confrontation. The situation would be aggravated if the newly rich Malays displayed their wealth ostentatiously, if there were resentment against widespread corruption, or if ordinary Malays

[140] E.g., Francis G. Carnell, "Communalism and Communism in Malaya", *Pacific Affairs,* Vol. XXVI, No. 2 (1953), p. 105.

[141] Judith A. Nagata, "Perceptions of Social Inequality in Malaysia", *Contributions to Asian Studies No. 7: Pluralism in Malaysia: Myth and Reality,* Judith A. Nagata, ed. (Leiden, 1975), p. 126.

[142] One reason for this may be the existence of patron-client ties (Judith A. Nagata, "Introduction", in ibid., pp. 8-9).

[143] Clive S. Kessler, "Muslim Identity and Political Behaviour in Kelantan", *Kelantan: Religion, Society and Politics in a Malay State,* William R. Roff, ed. (Kuala Lumpur, 1974), pp. 283-92.

ceased to regard the large government bodies such as PERNAS, MARA and UDA as "theirs". The Government seems to be aware of these dangers, as is shown particularly by the careful attention given to the drafting of the Third Malaysia Plan.

The possibility of coalitions between lower-class members (whether peasants, urban workers or estate workers) of various ethnic groups is still remote. Trade unions are not yet a strong vehicle for class unity.[144] Also, the naive belief that a potent ideology can override with ease ethnic barriers between militant communists was disproved in the Emergency.[145]

Dealing with Mobilization

Governments are not without resources in dealing with the effects of mobilization. According to Huntington, political stability will be affected by social mobilization, because those who are mobilized will tend to be socially frustrated, will make demands on the Government, and will participate politically in order to enforce these demands. Instability can only be avoided if the demands are moderated and aggregated by an appropriate degree of political institutionalization.[146] Malaysia is quite highly institutionalized; in particular, it has a dominant-party system, an institution which Huntington regards as most important in contributing to political stability.[147] Another authority, Milton Esman, believes that in a society whose main problem is the management of communal conflict, the authoritative institutions should be stronger than its participative institutions and that Malaysia meets this requirement.[148] The dominance of authoritative institutions is expressed in the relatively powerful roles of the Cabinet and the civil service. The acknowledged social role of hierarchy in Malaysia in moderating mobilization is also important.[149]

[144] Pp. 222-3; Nagata, op. cit., p. 128.

[145] P. 32. See also *The Path of Violence to Absolute Power* (Kuala Lumpur, 1968), p. 13.

[146] Samuel P. Huntington, *Political Order in Changing Societies* (New Haven, 1968), ch. 1. Institutionalization is the process by which organizations and procedures acquire value and stability (p. 12).

[147] Ibid., pp. 397-33.

[148] Milton J. Esman, *Administration and Development in Malaysia* (Ithaca, N.Y., 1972), p. 6.

[149] Von Vorys, op. cit., p. 432.

Some other, less obvious, factors tend to cushion the effects of mobilization and participation. One is federalism, which, even with a strong central government, tends to make the system resistant to rapid change; so, in some spheres, does the existence of the Rulers. The social structure, as well as the constitutional and political structure, also tends to slow down mobilization because of its complicated nature,[150] deriving largely from its ethnic composition.

Some of the checks on the effects of mobilization have been deliberate. While the Government attempted to modernize in certain spheres, for instance agricultural production, it did not dismantle the traditional Penghulu, or, for that matter, the "British" District Officer.[151] It was cautious in granting powers to local government authorities, and eventually decided to cease having local elections.[152] For the sake of national security and to prevent riots, limits have been placed on various kinds of political activity, especially after May 1969.[153] There have also been restrictions on the Press, mainly through the medium of annual licensing.[154] The most striking example of controls on participation was, of course, the temporary suspension of meetings of Parliament during 1969-71. The consequence has been that mobilization can still express itself in participation but that limits have been set to the degree and scope of that participation.[155]

A particular kind of mobilization which is likely to lead to participation harmful to stability, arises from the activities of graduates who are unable to find jobs.[156] Job possibilities, especially for Malay graduates in scientific, professional or business fields, are still quite

[150] E.g., its largely ethnically-based patterns of residence and customs, and, before recent legislation, its education system (Samuel P. Huntington, "Political Development and Political Decay", *World Politics,* Vol. XVII, No. 3 (1965), p. 419).

[151] Pp. 281-3.

[152] Pp. 286-90.

[153] Pp. 94-100.

[154] *Malaysian Business,* October 1974, pp. 51-2 (Professor W. Roff); *Speech by Tan Chee Khoon at Seminar on "Role of the Press in Malaysia Today", 17.6.1974* (mimeo.); *Straits Times* (Malaysia), 13 July 1973 (on blacking out of news during the MCA crisis).

[155] Mahathir bin Mohamad, "Problems of Democratic Nation Building in Malaysia", op. cit., p. 15.

[156] Huntington, *Political Order in Changing Societies,* op. cit., pp. 47-8.

promising.[157] But if employment opportunities worsened, student or ex-student unrest, which had already occurred when opportunities were better, could be expected to intensify.[158] This might indicate a future policy of restrictions on student enrolment for Malays as well as non-Malays.[159]

Conclusion

Mobilization may be partially controlled, but, especially in the context of Malaysia's policies for rapid development, it cannot be drastically stifled. The three main problems facing the nation—security, the national development effort, and the Third Malaysia Plan[160]—are closely related. If the second and third are not successfully carried out, effectiveness will suffer, and the people's ability to resist and fight internal subversion will be seriously weakened. Unless the security question is vigorously tackled, for an indefinite period resources will have to be drained away from development to make them available for counter-terrorism.[161] This already intricate relationship is further complicated by the ethnic factor, which affects all judgments on who is to get what, and who will be affected in what way by which decision, making the *implementation* of the Plan a prime concern of ethnic groups. To use a word now increasingly common in government circles, these problems will indeed constitute a test of the "resilience" of Malaysia's leaders and Malaysia's people.

[157] See p. 348.

[158] Huntington, *Political Order in Changing Societies,* op. cit., says that ". . . the higher the level of education of the unemployed, alienated, or otherwise dissatisfied person, the more extreme the destabilizing behaviour which results" (p. 48). On this view unemployed secondary students would be less dangerous for stability than unemployed graduates.

[159] On the large numbers of non-Malay students enrolled abroad, see *Third Malaysia Plan* (Kuala Lumpur, 1976), p. 30.

[160] *New Straits Times,* 29 June 1976 (Datuk Hussein Onn).

[161] Ibid., 2 July 1976 (Dr Mahathir). See also Dr Mahathir, "What is the war all about?", ibid., 17 and 18 July 1976.

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