

## **People or party? Wooing civil servants**

**MalaysiaKini.com**

**April 25, 2013**

**By Bridget Welsh**

GE13 SPECIAL In caretaker Premier Najib Abdul Razak's political targeting, one group has received special attention - civil servants. Why would those in the heart of government garner such special focus for an election? The reality is that in Malaysia's close electoral races, civil servants can be decisive in shaping the final tallies. This is one of the groups that I will be highlighting as decisive in this campaign.

Over the past few years Najib's administration has worked to stem the erosion of support from his traditional base of government employees with mixed results.

A decisive constituency

Civil servants make up 1.4 million voters, or 10.5 percent of the electorate. The civil service is made up of senior appointments, the police, army personnel, teachers, and a variety of industrial and manual (IMG) groups. There are also an estimated 657,000 government pensioners.

Civil servants disproportionately comprise large shares of votes in key seats such as Putrajaya or Setiu in Trengganu, among others. Postal votes from the army and police have furthermore been decisive in shaping outcomes in many seats like Sibu and Kluang. Conservatively, we can see the numerical effect of civil servants in at least 20 percent of the national parliament seats.

Besides their numbers, however, there are three other factors that make this group impactful. First of all, civil servants are stationed throughout the country. They are national in scope and extend even into the most remote areas.

Second, they are often locally respected leaders having indirect influence - teachers, district officers, village headmen, religious teachers and government doctors are critical in shaping voting behavior within communities. This influence is particularly important in the semi-rural and rural areas, where ties in the community are strong.

Finally, civil servants are more exposed to developments in the capital, as they are on the political frontline, and thus are conduits for information 'from outside'. This is important in the more remote areas in places such as Sabah and Sarawak.

## Sources of disgruntlement

The civil service is arguably one of the most criticised organisations nationally. Over and over, they are lampooned for taking 'tea breaks,' engaging in corruption and portrayed as ineffective. Some of this is coloured by stereotypes of the different ethnic communities.

While there are some legitimate areas for concern, especially with the unchecked rise of corruption within the bureaucracy and perceived failure to adequately bring in non-Malays and East Malaysians, this sweeping negative assessment does a disservice to the variation within the civil service itself - which differs at the state and federal levels - and undervalues the important role that this group plays in governing the country.

They are engaged in work for the public, often thankless, and in many cases poorly paid for doing so. On many levels, the constraints the civil servants face are multiple, and many of the problems lie with the leadership and stalled efforts at political reform. The transformation of the civil service in areas such as governance, inclusion and productivity is one of the pressing issues facing the country ahead.

Over the past four years of Najib's government, many of the challenges have come to the surface. There has been contention over the engagement with the civil service, leading to unhappiness within its ranks. The causes are complex, combining resistance to reform and failures and management on the part of Najib's administration.

The first issue has involved pay and fairness in the pay scheme. Najib's originally disastrously proposed Public Service Remuneration Scheme (SBPA) pay scheme of 2011 did not consult the main civil service bodies especially the Congress of Union of Employees in the Public and Civil Services (Cuepacs) and introduced heavily skewed salary increases towards the top ranks.

Under the SBPA, the chief secretary to the government would receive RM60,000 and staff grade officers about RM36,000 a month. In contrast, some in the lower grades would get an increase of as little as RM1.70. The Najib government subsequently was forced to reach a settlement with the powerful civil service union, Cuepacs, and rethink how it would conceive the salary structure.

He retracted SBPA in March 2012. This contributed to the 'retirement' of a number of senior architects of the proposal last year.

Cuepacs continued to call for a review of pay scheme, which has essentially remained stagnant for 20 years. Right before polls in March this year, Najib proposed a new plan, the Malaysian Remuneration System (SSM). This plan offers salary raises for civil servants and kept in place most of the incentive schemes and allowances. It also offered sharp pay increases.

This plan (detailed) below reversed the blatant bias toward the top ranks, but continues the significantly higher salaries for the senior officers, a source of discontent. Moreover, given the high cost of living, these increases are only marginally making an impact for the lower ranks of the service.

A second concern involves promotion and the criteria for promotions. Political loyalty has become the primary mode for promotions, rather than merit. It has been compounded by perceptions of race as a factor in promotion.

This is a legacy of the Mahathir Mohamad tenure, but has persisted and arguably deepened. Najib's government attempted to introduce incentives at the top, to continue his pattern of financial rewards, but left out the average civil servant in the assessment, in what was seen as a grossly unfair move.

The appointment process has come under scrutiny. Efforts were made in 2011 to change promotions for teachers, for example, with RM7,500 incentives offered in February 2011 and a new promotion scheme in May of that year.

These efforts have had mixed results, as they have been skewed by the norms of loyalty and favouritism rather than genuine performance excellence. More and more of those talented in the system have become frustrated by decisions made as part of patronage personal ties rather than addressing the public good.

A third factor has been the limited buy-in on decisions that they have to implement. Many civil servants are professionals, who have opted for public service, and are hampered by the system in carrying out their jobs.

While those actually involved in policy are small, the mode has been one of limited consultation with civil servants on problems and possible reform. In fact, Najib has tried to side-step the civil service and relied heavily on consultants to formulate policy. The classic example of this is Pemandu, which clears economic policy through the Economic Council and Cabinet, but ends up ordering ministries to do things rather than getting their inputs and buy-in.

The fact that the high-paid private sector Pemandu staff often fail to understand the challenge of implementation is resented and frustrating. The mode has been to

order the bureaucrats, rather than engage and consult the government service and this has thus sent a message of disrespect.

Perhaps the most salient has been the deepening of the corruption in the system. The system is skewed toward those who use their position for financial gain. The reports of corruption at the civil service, including those supposed tackled by the Malaysian Anti-Corruption Commission (MACC) in areas such as customs and the police, have risen sharply.

The fact is that the corruption disease that has so infected the leadership of the country has seeped into its bureaucracy. District officers suddenly have new cars, new houses and overseas bank accounts. Those involved work with 'consultants' in areas such as infrastructure and procurement to pad spending that is taken from public funds for personal gain.

It is the civil servants who see the abuses first hand, in renovations for buildings and purchases of textbooks. They are also the ones who are instructed to distribute funds to the electorate, sometimes siphoning off funds to themselves. In many cases, much of the funds do not reach the ground. Those inside the system see this, and many are disgusted.

The leakages are undermining the services and affecting the public. More and more of those inside the system have become fed up. What makes it worse is that the anti-corruption efforts are selective, reinforcing perceptions of unfairness and favouritism. As part of the system, civil servants know first-hand what the impact of corruption has been on the country.

To make the situation more troubling, civil servants are instructed to support and defend the system. To be loyal to the BN at all costs. The pressures to go along are real and involve the livelihoods of families of these 1.4 million people. Many fear the loss of their jobs.

Whistleblowers are not adequately protected and thus the decay in the system in terms of professionalism and performance deepens. Najib's tenure has only served to bring these issues closer to the surface, as many inside government are openly exposing the excesses and abuse.

#### Financial incentives

Given these underlying issues, it is thus no surprise that civil servants have been wooed. Najib's campaign to consolidate support in the civil service has taken a two-fold approach - the carrot and the stick.

The incentives have taken the form of increases in salaries outlined in the SSM scheme above introduced the month before dissolution of parliament. In addition there have been increases in salaries in 2012, amounting to RM3.7 billion annual costs. This included a two month bonus in July and September last year (although this was actually part of the annual Hari Raya bonus repackaged as a 'Najib' salary bonus.)

These increases have had a significant impact on the national budget, as these increases are not one-off handouts. The costs of civil service emoluments from 2009-2013 are captured in the table below, as it shows an increase from RM43 billion to RM59 billion, an increase of 27 percent.

It is important to appreciate that these costs are part of Najib's political electioneering with public money, and continue the pattern of record breaking costs for election related spending. Rather than engage in real public sector reform, the focus has been on treating the civil servants as those that can be bought.

In real terms the amount is marginal on the civil servants themselves. Even with these increases, many civil servants, especially in the lower ranks, are struggling to make ends meet. As these measures have been introduced, there has been a cutback on allowances and other spending for the civil service as part of different budget priorities for wooing the public electorate.

For the first time in decades, the actual operating budgets of many of the departments have been cut under Najib, affecting civil servants' work directly and curtailing performance.

In this vote-wooing effort, special accommodation was also made for different civil servant groups - teachers and security personnel.

Let's take the example of teachers. Under Najib they now receive more access to training, a revamped promotion scheme in 2012, increased spending on schools and bonuses, as the Najib government recognised the reality of winning over teachers.

The impact of these initiatives has been mixed, as many of the teachers have felt that they are not incorporated into the decision-making of the reforms of the education system, do not receive these benefits fairly and are worried about the quality of education.

Like many Malaysians, teachers appreciate that there are real problems with improving the content of the curriculum and student performance. They know, for

example, that there is a large number of students dropping out of high school and these dropouts lack the skills to find effective jobs. They know that money is not the solution to improving education.

Another targeted group of security personnel in the army and the police have also received special Najib treatment. The issues of corruption and contracts have challenged ethics of professionalism within the security forces. The police force in particular remains the least trusted institution in the country, which is of concern given the persistence of high crime and the critical role this organisation is supposed to play in security.

This time round the BN cannot rely on the unified support of security personnel, as shown by recent high-profile defections of army generals and legitimate concerns with the handling of Lahad Datu from the ranks, among others.

The last minute offer of pay increases for the army and police immediately before polls, and promise to synchronise their pay scheme in line with SSM from next January is part of Najib's continued efforts to stem the erosion in the traditional BN base.

#### Warnings and meetings

These organisations have also faced the stick in the form of a political barrage. Along with the salary increases and targeted engagement, the BN has simultaneously issued warnings to government personnel not to participate in politics, or rather not to participate in the politics of the opposition.

They have recently denied a respected veteran navy first admiral access to the Lumut naval base and issued orders not to allow the navy fair access to information from both sides of the political divide. These directives come through meetings, in which staff are required to attend, explicit and implicit instructions and patterns of favouritism that discriminate against suspected opponents of the government.

While denying participation in opposition politics, civil servants are expected to actively support the BN. Given that the grey lines in using the bureaucracy and its resources in electioneering, many civil servants are further 'encouraged' to participate in the BN-related campaign activities, even if it is not directly stated.

Many are happy to go along. Some, however, understandably fear that they will lose their jobs if they do not go along with the politicisation, while others are quietly resisting. The level of leakages from the system speaks to the latter, as there are undercuts of angry and disappointment. No one likes being berated and 'warned'.

Like Malaysians, civil servants are less afraid. In past weeks, the BN government has ratcheted up the 'meetings' and 'instructions' as the campaign period has approached, creating more pressure within the civil service.

Tough choices ahead

This election is perhaps one of the defining decisions for the history of the civil service itself. In 1999 the government servants rebelled and reflected the anger in society. In many ways the civil servants reflects the splits in society itself, especially in the Malay community.

But this election, they will play a decisive role. Civil servants will decide how they will balance loyalty to the party or loyalty to the country. They will ultimately choose whether there will be more reform to strengthen the service and how these reforms will take place. They will assess their own performance and the quality of the leadership.

In particular, they will evaluate Najib's efforts to woo their support. It is a mistake to assume that the civil servants are unaware of the challenges they and the country face ahead. In this election, civil servants have the power to shape the country's future, and more than ever this will be the real test of whether they are public servants.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <http://www.malaysiakini.com/news/227992>