

Abdullah tries to bolster support as ruling party celebrates 60th birthday

By John Burton in Singapore

Abdullah Badawi, Malaysia's prime minister, is struggling for control of the ruling United Malays National Organisation as the party celebrates its 60th anniversary today.

Mr Abdullah has faced challenges - from old guard and reformist factions - which highlight the tensions that are hindering efforts to introduce the political and economic reforms awaited by foreign investors.

When he became prime minister in 2003, he was the hand-picked successor to Mahathir Mohamad, Malaysia's long-ruling leader, and his appeal to the Umno chiefs was that he lacked his own power base.

Since then, he has angered the party's rank and file by curbing construction spending and trying to reform state-owned companies that have normally been a source of patronage keeping Umno in power.

His biggest challenge has come from Dr Mahathir, who could galvanise opposition from the old guard. Dr Mahathir criticised harshly Mr Abdullah's decision last month to scrap plans for a bridge to neighbouring Singapore following opposition from the city-state.

The former leader, who had championed the project, accused the Abdullah administration of lacking "guts" by selling out the country's sovereignty. Several of Mr Abdullah's senior ministers

accused Dr Mahathir of trying to undermine the government.

Mr Abdullah has tried to shore up party support by renewing his backing for the country's long-standing policy of affirmative action for ethnic Malays and other indigenous people, who make up nearly 60 per cent of the population.

In the past, he criticised the policy - as did Dr Mahathir - for making Malays dependent on racial quotas and creating a class of "rent-seeking" Malay businessmen.

But, in the latest five-year economic plan released in March, the government reaffirmed its commitment to affirmative action.

Some foreign investors have cited the policy as a barrier to doing business in Malaysia. And ethnic Malay political reformers including Anwar Ibrahim, the former deputy prime minister and

prominent opposition leader, have also criticised the policy for fostering corruption and cronyism.

Mr Abdullah is being urged by a small group of reformers to do more to clean up the party.

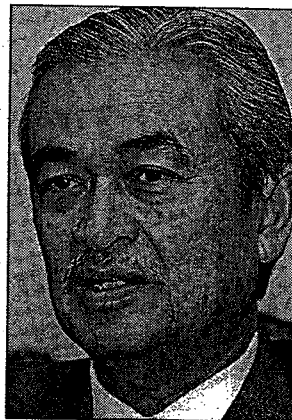
The issue received fresh attention last week after Shahrir Samad, a leading reformer seen as an Abdullah ally, broke ranks by supporting an opposition motion citing an Umno member of parliament for abuse of power.

Mr Shahrir then resigned as leader of the government's backbench group, threatening to trigger a rare showdown with the prime minister.

He said he voted for the opposition motion because he wanted to "walk the talk" on the government's promises to improve transparency. His supporters wanted to re-elect him to assert the right to vote according to their conscience rather than automatically obeying the party line.

Mr Abdullah criticised Mr Shahrir, saying he would have removed him from his post if he had not resigned. Ultimately, the backbenchers decided not to force the issue by re-electing him.

Analysts said Mr Abdullah had to quell the revolt because it would have weakened his grip on the party by inviting challenges from the old guard. Nevertheless, his action is seen as a blow to his policy of encouraging openness and debate.



Abdullah Badawi: under pressure

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Badawi challenged

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