

Malaysia's chance

Shock election result may prove to be a boon

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The pessimistic view of the electoral earthquake that shook Malaysia at the weekend is that an era of prosperity and political stability is drawing to a close and that intensified Islamic fundamentalism and ethnic strife are all but inevitable.

That was certainly the view in the markets after the National Front government dominated by the United Malays National Organisation suffered its worst electoral setback since independence in 1957. The government lost its two-thirds majority in parliament and the opposition now controls five of the 13 state governments. Abdullah Badawi, the prime minister, was harshly criticised by Mahathir Mohamad, his predecessor. Malaysian shares plunged 9.5 per cent.

Such gloom is probably misplaced. There is a risk that ethnic tensions – suppressed for years by artificial means – will rise to the surface. But there is much to celebrate in the humbling of a corrupt, old-fashioned and racially based political system that no longer has anything to offer a modern Asian economy such as Malaysia's.

One of the reasons why Mr Abdullah lost ground was that he failed to fulfil early hopes that he would tackle corruption and lead Malaysia away from the dead-end political system built by Dr Mahathir, which favoured the majority Malay popu-

lation over Chinese and Indians and gave patronage to favoured tycoons and corporations. It was significant that construction and property stocks seen as having links to the government showed the sharpest declines on the Kuala Lumpur Stock Exchange yesterday.

Nor was it only Chinese and Indians who voted against the National Front. Malays did the same. Some, it is true, are supporters of the conservative Parti Islam se-Malaysia or Pas. But many others voted for the multiracial People's Justice party of Anwar Ibrahim, who engineered an alliance between his party, Pas and the Chinese-based Democratic Action party and who called for an end to racial preferences.

The alliance won 82 seats in the 222-seat parliament, against 140 for the National Front. This opposition achievement is all the more remarkable given the shameless pro-government bias of the state-controlled media. Opposition figures are rarely seen on Malaysian television, except to be shown in a negative light.

Provided that politicians on all sides behave responsibly, the 2008 election could prove to be a turning point in Malaysian political history. Like the overthrow of Suharto in neighbouring Indonesia 10 years ago, this election could usher in a period of increased accountability, transparency and democracy.