In Quest of Unity: The Centralization Theme in Malaysian Federal-State Relations, 1957-75

by

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The Institute of Southeast Asian Studies

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Growing out of a research project begun in 1962, Professor Tilman's study of the federal experience in Malaysia should be of considerable interest to students as well as others concerned with federal affairs in general and the political process in Malaysia in particular. Accordingly, let's hope "In Quest of Unity" will circulate widely and stimulate further discussion and investigation of the subject. In the meantime, while wishing Professor Tilman and his study all the best, it is clearly understood that responsibility for facts and opinions expressed in the work that follows rests exclusively with Professor Tilman and his interpretations do not necessarily reflect the views or policy of the Institute or its supporters.

28 April 1976

Director
Institute of Southeast Asian Studies

This essay, a study of the politics, the politicians, and the laws involved in the federal experience of Malaysia, is concerned largely with the period that begins with the creation of the Federation of Malaya in 1957 and ends in 1975 with the retirement of the most recent advocate of state autonomy in the enlarged Federation of Malaysia. In brief, my thesis here is that in the constant tug-of-war between the centre and the constituent units, a characteristic of most federations and actually the core of the federal compromise, the consistent trend has been the aggrandizement of central government power gained at the expense of the states. In most cases this has been intentional, calculated, and orchestrated by national leaders. Among the state units centralization has met only isolated pockets of resistance, each of which has eventually been overcome by the superior force of the centre, a superiority that increased with each additional accretion of power.

Having made these observations, however, it must also be noted that there is no intention here to defend the infallibility of federalism, the principles of which are too frequently viewed as almost sacred and beyond the realm of discussion. Malaysian society is heterogeneous, and, in the present precarious world, unity is understandably viewed by many Malaysians as more desirable than diversity. That the federal system has been used in the quest for this unity is a matter of historical record and is the focus of this study. Whether it was properly or improperly used is a question for others to ponder on.[1]

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1 I am indebted to many institutions and organizations for support of my interests in this subject. More than a decade ago the American Society for International Law assisted my field research in Malaya to begin preliminary investigations into Malayan federalism, and, while many other research projects have been completed since, this study actually began in 1962. In 1974 the American Philosophical Society awarded me a grant for a brief residency at the Institute of Commonwealth Studies of the University of London, and there I was generously shown the hospitality of the Institute and given the use of its impressive documentary resources in this field. In 1975, thanks to the determined support of the then Chancellor of my home institution, the University system granted me a leave of absence during most of the fall semester. This period was spent as a Visiting Fellow at the Institute of Southeast Asian Studies, Singapore, where I enjoyed excellent facilities and stimulating colleagues. Finally, Duke University has always been generous in granting me the use of its facilities and resources. None of these is responsible for the substance of my research, but I take this opportunity to record my appreciation to all for their assistance.

1: THE ECOLOGY OF FEDERALISM IN MALAYSIA

The Physical Setting

Geography and history conspired to make Malaysia resistant to centralization, but administration and politics were sufficient to overcome both. This, in brief, describes the centralization-fragmentation struggle of the past several centuries in Malaysia.[2] If federalism represents the institutionalization of a balance between territorial centrifugalism and centripedalism,[3] then this study describes the process by which the latter yielded to the former under

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2 "Malaysia" has sometimes been employed to describe the peninsular and insular territories that today constitute the states of Malaysia, Singapore, and Indonesia, and the protected Sultanate of Brunei (the Sulu Archipelago - now a part of the Philippines - has sometimes been included in this geographic term as well). In this essay "Malaysia" will be used as an abbreviation for the Federation of Malaysia, which today includes the peninsular states of the old Federation of Malaya and the Bornean states of Sabah and Sarawak (when referring to the period prior to 1965 the term will be used also to include Singapore). "Malaya" will often be used as a short-hand term for the territory of the old Federation of Malaya - that is, the eleven states of the peninsula, the antecedent of Malaysia.

3 Daniel J. Elazar discusses the various - and often conflicting - interpretations of "Federalism" in his article in the *International Encyclopedia of the Social Sciences* (New York: Macmillan and Free Press, 1968), pp. 353-367. In general, writers have dealt mostly with the legal structures employed to "united ... separate polities within an overarching political system so as to allow each to maintain its fundamental political integrity" (Elazar's definition of "federalism"). In the end they have almost inevitably had to describe the institutionalized balance between the centrifugal and centripedal forces inherent in the system itself. For a useful broader view of federalism see William S. Livingston, *Federalism and Constitutional Change* (London: Oxford University Press, 1956), chapter 1. Some observers have denied that "real federalism" exists at all in present-day Malaysia, but the system certainly seems to meet somewhat more than the minimum conditions described by William H. Riker in his *Federalism* (Boston: Little Brown, 1964), pp. 5-6. In Riker's taxonomy Malaysia would be far more "centralized" than "peripheralized," but it would still be termed a "federation". Beyond this it should be recognized that Malaysia calls itself a federation and that "federations" come in many varieties.

the onslaught of administrative and political centralization throughout Malaysia.

Federalism was a natural political choice for both Malaya and Malaysia. Geographically, the Malay Peninsula is divided by the Main Range (which creates a natural obstacle to population movements between east and west), the Tahan Range (which effectively isolates the two northern states of Kelantan and Trengganu from the south) and the southern peneplain (which traditionally restricted movement between the two southern seacoasts). In the larger Federation, East Malaysia is separated from West Malaysia by a minimum of almost 400 miles of the South China Sea and a maximum of almost 1,000 miles. In Borneo, Sabah and Sarawak are divided from Indonesian Kalimantan on their long north-south border by a series of ranges culminating in the spectacular Mt. Kinabalu in Sabah (4,100 metres) and by dense jungle throughout the interior.[4]

There was little pressure from the outside, and, with natural barriers isolating the people of one region from those of another, small autonomous states emerged throughout the Malayan Peninsula. Because of the Islamicization of much of Southeast Asia (a process that began perhaps about the eleventh or twelfth centuries, was completed for all practical purposes in the peninsula by the seventeenth century, but continues today in East Malaysia) most of these states were headed (often nominally) by a Sultan, though his authority was generally exercised through territorial chiefs positioned along the rivers so as to control access to the interior and the sea.[5] By the time of the first attempt to create a federation in the peninsula (in the late nineteenth century) Sarawak was the personal domain of the Brooke family (of London, but more familiar with India), and the British North Borneo Chartered Company (whose corporate home was also London, but whose inspiration was Indian as well) had

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4 Most of this discussion of the political geography of Malaysia has been taken from C.A. Fisher, *Southeast Asia: A Social, Economic and Political Geography* (New York: Dutton, 1964), part IV.

5 J.M. Gullick describes three such states on the eve of British encroachment into the interior in his *Indigenous Political Systems of Western Malaya* (London: Athlone Press, 1958).

wrested North Borneo (Sabah) from the Sultans of Borneo and Sulu.[6]

Antecedents of Modern Federalism

Throughout the "forward movement," as the period of British expansion inland beginning in the 1870s is often termed, the British dealt largely with the Malay Rulers as if they controlled autonomous states, whatever the realities of the situation might have been. Thus the Pangkor Engagement of 1874, which marked the formal beginning of the forward movement, was concluded with a Sultan especially designated by the British for the occasion. From this point on, the process of legalized conquest through international agreement continued.[7] The stage was set for federalism: territorial units existed, and a strong outside power, which wanted

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6 The first White Rajah of Sarawak (James Brooke) was born in Secrore to the Scottish wife of a judge of the High Court of Benares. His family were originally west-country English, but they had long before moved to London. The BNB Co. was inspired and supported by officials of the British East India Co., and the BNB Co. in turn inspired many similar ventures in Africa. Traditional sovereignty over Sabah was murky. At least part of Sabah fell in the marchlands that separated and connected the spheres of influence of two Sultanates - Sulu and Brunei. This was the origin of the Malaysia-Philippines dispute of the early 1960s. On Sarawak see Sir Steven Runciman, *The White Rajahs* (Cambridge: Cambridge University Press, 1960). On Sabah, see K.G. Tregonning, *Under Chartered Company Rule* (Singapore: University of Malaya Press, 1958). On the Philippine-Malaysia dispute and the Sulu claim to Sabah, see M.O. Ariff, *The Philippines' Claim to Sabah: Its Historical and Political Implications* (Singapore: Oxford University Press, 1970).

7 There is one sense in which the British did not treat the newly named Sultan of Perak as a sovereign. Intervention in Perak was triggered by unrest and lawlessness among Chinese coolies working the Kinta tin fields, which the Malays had been unable to suppress. The British negotiated separately with the Chinese and eventually signed a separate agreement with them. They thereby initiated a system of indirect rule over the Chinese minority that bypassed the Malay head-of-state. This practice continued almost throughout the colonial period and contributed to many of the difficult problems facing contemporary Malaysia. On the forging of the Pangkor Engagement, see C. Northcote Parkinson, *British Intervention in Malaya, 1867-1877* (Singapore: University of Malaya Press, 1960), chapter V.

federation, treated each unit as if it possessed legal sovereignty, however helpless it may have been in the face of these pressures.

In a series of treaties, of which the Pangkor Engagement was only the first, Britain strengthened the hands of the nine Malay Rulers of the peninsula so far as their own standing was concerned, but at the same time each gave up much of the sovereignty he and his state had theoretically enjoyed. The Ruler was recognized as the sovereign head of state, but he was also obligated to accept British "advice" on state matters.[8]

Although outright annexation of the Malayan Peninsula was considered in London, the idea was rejected in favour of continued protection within a somewhat larger administrative framework. The new structure was the Protected States of the Federated Malay States - conceived in 1893 by Sir Charles Lucas, constructed by Sir Frank Swettenham in one month in 1895, and implemented in July 1896 with Swettenham as the first Resident-General.[9] Selangor, Perak, Pahang, and Negri Sembilan thereby became the FMS - a model that was to have great influence on the two postwar federations that followed the Federation of Malaya of 1948 and the Federation of Malaysia of 1963.

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8 The specific areas for giving and receiving advice were left vague. By treaty the Ruler was to seek and act upon the advice of the British Resident in all matters of state except those connected with Malay custom and Islam. By instructions from Whitehall Residents were to give "influential and responsible advice to the Ruler ... [and] not to interfere more frequently or to a greater extent than is necessary with the minor details of Government ...." (Secretary of State to the Residents of Perak and Selangor, August 1867, in John Bastin and Robin Winks, *Malaysia: Selected Historical Readings* (Kuala Lumpur: Oxford University Press, 1966), p. 218. In practice the scope and influence of the Resident in each of the Federated Malay States (and the Advisor in each of the Unfederated Malay States), was a product of his personal interaction with the local Malay leadership. It was rare, however, that he could not greatly influence the Ruler in almost all areas of concern to the British.

9 See B. Simandjuntak, *Malayan Federalism, 1945-1963* (Kuala Lumpur: Oxford University Press, 1969), pp. 8-9 and chapter II. This is an important source of information on Malaysian federalism to 1963 and will be utilized frequently in this essay.

It is difficult to consider the FMS as a federation except in name, though it did set the tone for the independent federations that followed it. The power to make binding decisions resided ultimately with the colonial power, for the Treaty of 1895 incorporated much of the by-then familiar language of the forward-movement treaties. Each Ruler was required to accept the advice of the Resident in his capital city and of the Resident-General in Kuala Lumpur (the Resident-General was the executive head of the FMS and a British civil servant) on all matters except those pertaining to Islam and Malay custom. While a continuing battle raged between the Resident-General and the High Commissioner in Singapore (who was head - "co-ordinator" or "executive" was part of the dispute - of all British territories and protectorates in the area), the fact is that this was an in-house dispute involving the *locus* of authority within the British colonial system. The rights and powers of the Malay leaders of the states were not at issue. Both the Resident-General and the High Commissioner agreed that all political power lay with the "centre," though they could not agree on where the "centre" was located. Succeeding colonial officials were also to debate decentralization within the FMS, but here the issues involved the powers of the Residents versus the powers of the Chief Secretary (originally Resident-General, but renamed as a result of the dispute with the High Commissioner). The debate seldom involved the power and sovereignty of the Rulers themselves.[10]

The Second World War and Reconstruction

Disputes between Kuala Lumpur and Singapore and the decentralization controversy within the FMS were brought to an abrupt end when the last organized British forces surrendered to the Japanese in Singapore on February 15, 1942, after a brief ten-week defence of the peninsula. A detailed account of the invasion, occupation, and the reoccupation is not relevant, but it is important to stress the break it created between prewar and postwar Malaysian political history. British colonialism was based on a series of assumptions involving the inherent superiority of the

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10 It is difficult to conceive of any "federal" colony. A colony may have had a decentralized administrative structure, but so long as it remains a colony - that is, so long as the meaningful political decisions are made by the colonial power - can it be a "federation" in the generally accepted sense of the term?

Western world and all that it represented - assumptions that had been implicitly accepted by most, British, Chinese, and Malays alike. It was difficult to maintain this assumed superiority in the face of the harsh reality of a crushing military defeat by a small Asian power.

The Japanese interregnum[11] in Southeast Asia can probably best be viewed as a catalyst accelerating developments that were inevitable in the long run anyway. Colonialism would undoubtedly have disappeared from Southeast Asia in time, but thanks to the Japanese occupation the length of the colonial period was reduced considerably.

When the Second World War ended (prematurely, in the eyes of the British planners) Malaysia was on the verge of collapse, despite having escaped the ordeal of liberation to which many territories were subjected. The production of tin and rubber was near zero, violence was rampant, food was scarce, and the transportation system had almost ground to a halt. The Japanese had ignored the niceties of the various colonial administrative distinctions, but they had not replaced the colonial administrative structure with any permanent system of their own making. Thus in immediate postwar Malaysia there were the remains of an almost nightmarish mosaic of small administrative entities. In theory at least the FMS still existed; the five Unfederated Malay States were still individually under British guidance; the three Straits Settlements were collectively still a Crown Colony, though they were physically separated and each had its own problems of reconstruction; Sarawak and North Borneo were ceded to Britain and became Crown Colonies individually, and the Sultanate of Brunei returned to the fold of British protection. The remnants of eleven units and seven major administrative structures survived in the peninsula, while there were three units and three structures in British Borneo. It was too early to do anything about the latter, but there were many British who felt that administrative reform in Malaya was long overdue.

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11 Henry J. Benda apparently was the first to describe the Japanese occupation of Southeast Asia in these terms. Benda's works stressed the continuity of Southeast Asian history, and thus "interregnum" had a special meaning. See his "The Structure of Southeast Asian History: Some Preliminary Observations," *Journal of Southeast Asian History*, III (March, 1962): 103-183.

After a military administration of seven months (September 1945-March 1946) Britain turned to a scheme that had been conceived and debated during prewar struggles over decentralization - the plan to create a Malayan Union. Since the Malayan Union was not intended to be a federation, even in name, little detailed attention needs to be given to it here. However, it is interesting because it represented an extreme form of the centralization theme in Malayan administration, and this kind of thinking has had a great impact on contemporary Malaysian federalism. The scheme united the nine Malay States with two of the three Straits Settlements (Singapore was not included) into a highly centralized administrative system with common and very easily obtainable citizenship for persons of all nationalities. The scheme also reduced the Malay Rulers to something less than political figureheads: not only did they hold very limited powers affecting the Islamic religion and Malay custom, but the borders of the states they symbolized were virtually erased. The Malayan Union was linked to Singapore and the Bornean colonies through the Governor-General in Singapore, who was responsible for co-ordinating (but supposedly not directing) all colonial activities throughout the Malaysian area.

It is easy to sympathize with British intentions, but it is difficult to understand their miscalculations of Malay reactions to a radical system of administration, which they, the "protected people," had no hand in creating. James Allen has suggested three general motivations for Britain's Malayan Union policy: a desire to move Malaya toward independence and a conviction that this would be facilitated by a unification of the several states, the creation of a more defensible entity, and a disillusionment with the Malay leadership stemming from their conduct under the Japanese.[12] The Union was not acceptable to the Malay leadership and to their British allies (largely old Malaya hands retired to the London area) for a variety of reasons too numerous and complex

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12 J. de V. Allen, *The Malayan Union* (New Haven: Yale University Southeast Asia Studies, 1967), p. 2. M.N. Sopiee, *From Malayan Union to Singapore Separation* (Kuala Lumpur: University of Malaya Press, 1974), pp. 16-21, accepts some of Allen's reasoning, expands it somewhat, and adds some interesting insights of his own.

to enumerate here.[13] Although the Union was inaugurated on April 1, 1946, it was born in a sorely weakened condition and it survived only 21 months before yielding to a new administrative system on February 1, 1948. The new structure was federal in name, if not entirely federal in spirit and practice.

The Federation Agreement (1948) and Independence (1957)

The new Federation of Malaya was composed of the same eleven states that made up the Malayan Union, and these were the same units that were to come to independence in 1957 - Perlis, Kedah, Penang, Perak, Selangor, Negri Sembilan, and Malacca, from north to south in the west; Kelantan, Trengganu, and Pahang, from north to south in the east; and Johore on the southern end of the peninsula. Singapore was again excluded, and the Bornean colonies did not enter seriously into British and Malay thinking at this time. The history of the establishment of the new federation is complex,[14] but in general it represented on the part of the British a return to a policy of support for Malays and Malay social institutions and an abandonment of short-lived support for the creation of a common nationality and the granting of equal political and administrative opportunities to all permanent residents of Malaya.

The 1948 Federation Agreement created a colonial dependency with a highly centralized administration and one that contained the infrastructure for centralized decision-making once independence was granted. As Simandjuntak has observed,[15] there was a strong centripedal bias in the 1948

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13 See Allen, chapter V and Sopiee, pp. 21-29. In brief, the Rulers discovered belatedly how damaging the Union would be to their own positions, and in London this became a continuation of the old centralization-decentralization controversy that had raged for years. Sir Harold MacMichael took the Rulers by storm in negotiating the treaties that facilitated the Union, and in several cases the conduct of a Sultan under the Japanese came under scrutiny as a threat of deposition to force co-operation.

14 Sopiee, pp. 21 ff., does an excellent job detailing its creation.

15 Sopiee, pp. 56-60 and 83.

Agreement, and the nationwide communist-led threat of 1948-60 (usually termed "The Emergency") further increased the pressures for centralization. When independence came to Malaya in August 1957 the system was federal, but it was a federation with a strong centre and relatively weak constituent units. The independence constitution was in fact the old 1948 Agreement amended to reflect the end of colonialism and some of the changes that had occurred in practice in the nine years of its operation.[16]

In the 1957 Constitution the Federal List was long - twenty-five items with ninety-six subitems, the State List, brief - twelve items with twenty-six subitems and the Concurrent List, even briefer - nine items with no subitems. The federal government was responsible for activities that involved external affairs, defence, internal security, administration of justice, citizenship and naturalization, machinery of federal government, finance, trade and industry, shipping, communications and transport, public works and power, surveys and research education, health and medicine, labour, aborigines, professional licensing, federal holidays, societies agricultural pest control, publications, censorship, cinemas and theatres, federal housing and improvement trusts, and co-operative societies. The state governments were responsible for religion and Malay custom, land,[17] agriculture, local government, public services not on the Federal List, state government machinery, state holidays, official inquiries for state purposes, indemnities related to state matters, and turtles. This is the formal enumeration of the distribution of constitutional powers in 1957, but in practice the centre became even more powerful than this simple listing may suggest, though this discussion can be better delayed to a later section.

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16 Federation of Malaya, *The Federation of Malaya Agreement, 1948, as Amended, 1956* (Kuala Lumpur: Government Press, 1957). The *Agreement* is reprinted in Federation of Malaya, *Malayan Constitutional Documents, 1959* (Kuala Lumpur: Government Press, 1959).

17 "Land" is a less significant item on the State List than it might appear. The administration and financing of rural development are largely in the hands of the Federal Government, and most of the land settlement schemes are part of larger rural development programmes. Thus, there have been many opportunities for the Federal Government to intervene in what is supposedly an area reserved for the states.

The Social Context of Modern Malayan Federalism

The legalities and politics of federalism in Malaysia are important, but so too is the social context in which the political game is played. The plural nature of Malaysian society is well recognized, but it is easy to forget how completely this pluralism impinges on almost every aspect of Malaysian life, including almost the totality of Malaysian politics.

The population of Malaysia is slightly more than one-half Malay and other indigenous people, while the Chinese make up about 35% of the total. In East Malaysia the Chinese percentage varies from less than 25 to more than 30, and here too the majority is composed of Malays and other indigenous people, though in Borneo this single category obscures more diversity than it reveals.[18]

Unfortunately, there are many mutually reinforcing social, cultural, and economic cleavages that coincide with racial lines.[19] Generalizing from the rich variety of individuals who compose Malaysia is hazardous but necessary. The Chinese population is skewed toward the higher end of the income-distribution curve; the Malays, toward the lower. The Chinese are found chiefly in and around the cities; the Malays are disproportionately located in the countryside. The Chinese in the past have been more associated with the importation, exportation, processing, production, and distribution of goods, with the service industries, and with export-oriented cash agriculture; the Malays, with small-scale agriculture, administration, and politics. The native tongue of the Malays is Malay; of the Chinese, one of the southern dialects of China. Malays are Muslims; the Chinese are most likely to be eclectic in their religious beliefs.

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18 The term currently employed to describe this category is *bumiputra* - "son of the soil". This includes Malays and aborigines in Malaya, and Malays and the indigenous peoples of Borneo. Actually many Malays throughout Malaya are recent immigrants from Sumatra and Java, but in the political lexicon of Malaysia "Malay" immigrants are natives while Chinese and Indian immigrants are not.

19 The term "communal" is usually preferred to "racial" in Malaysia. Anthropologically this is probably more accurate, but race is better understood. The two terms will be used interchangeably in this essay.

Although many of these attributes are mutually reinforcing, state boundaries and racial lines do not coincide. Malaysia is a plural society, and Malaysia is a federation, but it is not a federation because it is a plural society.[20] Social pluralism affects the implementation of Malaysian federalism - just as it affects almost all aspects of life in Malaysia - and the federal system has probably had some (but a less certain) impact on the plural society. However, this is about the most that can safely be said about the relationship of the two.

The Chinese are to be found in every state of the Federation, and in significant proportions in eleven of the thirteen states, as Table I on the following page shows.

Malayan politics, and later Malaysian politics, have always reflected the racial cleavages of the country. The dominant party from the time of the Kuala Lumpur municipal elections of 1952 until it was absorbed into the National Front in 1972 was the Alliance, a coalition of three racially specific parties - the United Malays National Organization (UMNO), the Malayan Chinese Association (MCA), and the Malayan Indian Congress (MIC). UMNO has always dominated the Alliance, the MCA has run a poor second, and the MIC has trailed as a distant and almost invisible third. In Malaya the major Malay opposition was provided for many years by the unabashedly Malay supremacist Pan-Malayan Islamic Party (PMIP, now the Parti Islam), whose strength has traditionally been centred in the underdeveloped northeast of the peninsula, but which has many Malay sympathizers throughout Malaya. On the other side of the coin, avowedly pro-Chinese parties have appeared, but none has had the lasting appeal

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20 R.L. Watts has asserted to the contrary: "that a federation instead of a unitary form of government has prevailed has been due largely to the communal character of its population ..." See his *New Federations: Experiences in the Commonwealth* (Oxford: Clarendon Press, 1966), pp. 23-24. This would apply to Singapore in relation to the rest of Malaysia, but it is more difficult to apply it to the Eastern wing and almost impossible to apply it to ten of the eleven states of West Malaysia. (Penang might be likened to the remaining Malayan states as Singapore was compared with Malaysia.) There is one other possible basis for this statement. Historically, Chinese business interests favoured centralization, while the Malay aristocracy opposed it, but it would be reading too much into these opposing positions to see this as the cause of federalism.

Table I: Percentage of Chinese by State*

State	Percentage
Penang	56.8
Selangor	47.0
Perak	43.3
Johore	40.0
Negri Sembilan	39.8
Malacca	39.0
Pahang	33.9
Sarawak	33.4
Sabah	20.8
(West Malaysia = 36.1)	
Kedah	19.9
Perlis	17.9
(Malaysia = 34.9)	
Trengganu	5.7
Kelantan	5.4

*Source: Federation of Malaysia, *Annual Statistical Bulletin, 1972* (Kuala Lumpur: Department of Statistics, 1974), Table I.

that the PMIP has had for Malays. However, the PMIP always had modest representation in Parliament, and its greatest influence had actually been indirectly exerted through UMNO and the Alliance. UMNO has had to watch Malay reaction to PMIP pronouncements with care and adjust its own positions accordingly lest it risk losing some of its own support to the PMIP. The Alliance solved this problem in 1972 by inviting Parti Islam into a broader coalition, the Barisan Nasional (National Front).

In Singapore the People's Action Party has held the power since 1959, but it was not until 1963-64 that it was firmly in control. Prior to this it was a fragile coalition of left and centre factions that was always in danger of being captured by the left wing or disintegrating under their pressure. The man most responsible for avoiding both catastrophes was the present Prime Minister, Lee Kuan Yew. The PAP now strives to be the party of all Singaporeans, regardless of race, and here it enjoys some obvious successes. During Singapore's membership in the Federation of Malaysia the PAP seemed to aspire to be a nonracial party in Singapore

but nationally to represent the Chinese of all Malaysia. In this contradictory effort it failed.

Party politics in Borneo began on racial foundations, and to some extent this continues to be the basis today. Each major linguistic or ethnic group had its own party and leadership, and there were numerous divisions within the Native ranks, in addition to the division among Natives, Chinese, and Malays. Parties came and went in Borneo with such rapidity in the first half-decade of Malaysia's existence that it requires a major effort simply to construct their genealogies. For our purposes it is sufficient here only to note that politics in Borneo has also been influenced strongly by racial factors and leave the details of some of the complicated bargaining to a later discussion of federalism in the political context.

Several leaders, notably Dato Onn bin Ja'afar of the Independence of Malaya Party and the Gerakan Rakyat leadership of recent years, have aspired to create truly noncommunal parties in Malaya and Malaysia, but they have always faced a troubling dilemma. By advocating noncommunalism they have almost invariably discouraged Malay support, and in so doing the parties in reality have become groups representing non-Malay communal interests or representing the ideals and aspirations of a small number of English-educated élites of all communities. Perhaps, as has sometimes been charged, the Alliance approach encouraged the institutionalization of racism in Malayan politics, but, in perspective, it is not easy to visualize many effective alternatives to the Alliance approach at the time. In any case, Malaya prospered and came to independence under the guidance of the Alliance Party, and they were willing and eager to share their good fortunes with their neighbours.[21]

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21 A reliable summary treatment of the development of political parties throughout the Malaysian region up to 1966 is contained in R.S. Milne, *Government and Politics in Malaysia* (Boston: Little Brown, 1967). Racial politics in Malaya are well documented and analysed in K.J. Ratnam, *Communalism and the Political Process in Malaya* (Kuala Lumpur: University of Malaya Press, 1965). Ratnam and Milne collaborated on a lengthy study of the 1964 elections in their volume *The Malaysian Parliamentary Elections of 1964* (Singapore: University of Malaya Press, 1967). Raj K. Vasil has treated the general subject of pluralism and opposition politics in his *Politics in a Plural Society* (Singapore: Ocford University Press, 1971), and he has analyzed the

2: THE FEDERATION OF MALAYSIA, 1963

Creation

> Malaya today as a nation realizes that she cannot stand alone and in isolation .... Sooner or later she should have an understanding with Britain and the peoples of the territories of Singapore, North Borneo, Brunei and Sarawak .... We should look ahead to this objective and think of a plan whereby these territories can be brought closer together in political and economic cooperation.[22]

This was the statement made by the Malaysian Prime Minister before a Singapore press luncheon on May 27, 1961, in what proved to be the formal and public opening move that eventually led to the creation of the new Federation of Malaysia more than two years later. This was not the first mention of an enlarged "Malaysia;" the Tunku and others had espoused concepts similar to the 1961 scheme even in the days before Malayan independence.[23] Nevertheless, after May 27, 1961, discussions entered the public arena, the public was interested, and each of the three governments involved had its own reasons at that time for giving serious thought to an enlarged federation.

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crucial 1969 elections in *The Malaysian General Elections of 1969* (Singapore: Oxford University Press, 1972). Thomas J. Bellows has detailed the complex history of the PAP in *The People's Action Party of Singapore* (New Haven: Yale University Southeast Asia Studies, 1970). For the most penetrating but not always balanced attack on the institutionalized of racism in the Alliance, see John A. MacDougall. "Shared Burdens" (Harvard University, Ph.D. Dissertation, 1968).

22 Excerpted from Peter Boyce, *Malaysia and Singapore in International Diplomacy* (Sydney: Sydney University Press, 1968), p. 8.

23 We are indebted to Mohamed N. Sopiee for putting the 1961 proposal in its proper historical perspective. He has also amassed considerable evidence to demonstrate, first, that the Tunku's 1961 position did not reverse his previous stand, and, second, that the Malaysia scheme had its roots in earlier proposals. See Sopiee's "The Advocacy of Malaysia before 1961," *Modern Asian Studies*, VII (October 1973): 717-732, and his *From Malayan Union* ..., pp. 125-135. My thinking in this section has been influenced by Sopiee's work.

In Britain, Whitehall probably realized that before much longer the country would have to face some serious decolonization problems. Singapore wanted independence, but most British officials regarded it as too small to be viable as an independent state. The Bornean colonies showed little interest in independence, but the postwar colonization of Borneo was at best only a short-run solution to an immediate problem. Brunei, too, appeared to be happy with its dependent status, but this dependency was likely to become a political burden for Britain eventually.

Initially, Malayan leaders apparently felt all Borneans to be kindred souls, and they were particularly struck by Malaya's close affinities with Brunei.[24] At the same time Singapore politics showed an alarming leftward drift, and Federation officials, belatedly perhaps, must have realized that one way to reverse the trend was to gain control of the city's internal security.[25]

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24 Sopiee, "The Advocacy of Malaysia ...," pp. 730-731, discussed the probable impact of the Tunku's first visit to Borneo in September 1958. The occasion was the opening of the magnificent mosque in Brunei Town and the celebration of Sultan Omar's forty-second birthday. He was accompanied by six of the nine Malay Rulers of the peninsula and his Deputy Prime Minister (later Prime Minister) Razak. Like the experience of many Americans at Hilton hotels around the world, practically everyth the tourists encountered seemed familiar (including many Malay civil servants from Malaya who were on loan to Brunei). The Tunku returned to Kuala Lumpur waxing enthusiastically about the affinities of the peoples of Borneo. This goes a long way toward explaining why - as many critics have noted - the Tunku had so much difficulty comprehending the complexity and variety of the Bornean peoples and the profound differences between Natives and Malays.

25 Here again Sopiee's research is helpful. He has shown that prior to 1961 the Tunku wanted merger with the Bornean states but without Singapore. After 1961, however, the Tunku apparently was convinced that Singapore could become "a communist Cuba" at the tip of the Malayan peninsula and thus it had to be included in order to be controlled. This is a helpful expansion of the "security theory," as it has come to be called. However, in his criticism of earlier authors who uncritical accepted the theory (*From Malayan Union ...*, pp. 125-126) he seems guilty of having constructed a straw man for his own purposes. While many authors of the time accepted the security theory, most were in fact discussing only the period after 1961. In this "second phase" Sopiee himself has assembled considerable evidence showing that once the Tunku was convinced of the dangerous leftward drift taking place in

In Singapore Lee Kuan Yew felt - though he later had second thoughts - that the Singapore port would find it difficult to survive without an adjoining hinterland. Also, the Prime Minister on numerous occasions watched as the British colonial authorities quelled troublesome leftwing movements inside and outside his PAP, and it is possible that in the climate of the early 1960s the thought of passing this thankless task off to Kuala Lumpur might not have been unattractive.

The Prime Minister's Singapore speech set off a chain reaction of national and international events that occasionally resurface even today. Multinational commissions set about to ascertain the wishes of the people of Borneo; an Intergovernmental Committee began to explore the difficult details of the transfer of authority; Singapore held a difficult and highly animated referendum on the question of merger; the Philippines resuscitated an ancient claim against North Borneo on behalf of the heirs of the Sultan of Sulu (see n. 6, above); Indonesia branded "Malaysia" as a neocolonial encirclement and, after numerous international conferences and agreements, launched its "confrontation" (*konfrontasi*) and "crush Malaysia" (*ganjang Malaysia*) campaigns; the United Nations was invited in to investigate; and at last, Malaysia came into existence, without Brunei, on September 16, 1963, just sixteen days beyond the targeted date for its creation.[26]

Singapore he was resolute in his determination to see it join Malaysia as a means of stopping the growth of communism. And, as Sopiee wrote, the Chinese would outnumber the Malays in a simple Singapore-Malaya merger, but "... the inclusion of Borneo's natives would result in the maintenance of the balance of ethnic groups." (*From Malayan Union ...*, pp. 137-146, esp. p. 144.) Most of the authors cited were making precisely this point, though they did not place it in the larger perspective as has Sopiee.

26 The troubled creation of Malaysia was chronicled at the time in the American Universities Field Staff *Reports* filed from the area by Willard A. Hanna. These were later brought together in Hanna's *The Formation of Malaysia* (New York: AUFS, 1964). Many other accounts are now available, but some important questions remain unanswered, and, in fact, some are seldom asked. For example, how extensive were the propaganda efforts in Borneo, and who paid the bills? What happened at Singapore when Donald Stephens of North Borneo came to a conference as one of the three leaders of the only organized opposition movement and left as the Chairman of the committee formed to support the plan? There are many intriguing questions that have not yet been answered satisfactori

The Federal Structure

In the end Malaysia emerged as a complex federation based on numerous troublesome compromises. In theory it was a fourteen-unit federation (the eleven states of Malaya, plus Singapore, Sarawak, and Sabah), but in practice it often behaved more as if it had only four constituent members. Some of the most significant federal compromises involved representation, citizenship and migration, language and education, and finance.

Representation The House of Representatives (Dewan Ra'ayat of the old Federation of Malaya was composed of 104 representatives elected in single-member constituencies by plurality vote. In the new Dewan Rakyat the Malayan states retained their 104 seats, which at the time meant that Malaya enjoyed representation at a ratio of 1 : 60,373. Using this figure as a base it could have been predicted, all other things being equal, that Singapore should receive 22 seats; Sarawak, 12; and Sabah, 7; and that the new House would thereby have a total of 145 members. However, this was not the case. Singapore agreed to accept underrepresentation and was eventually allocated only 15 seats. Sarawak and Sabah, on the other hand, were granted overrepresentation and got 24 and 16 seats respectively. In part this constituted one aspect of the racial bargaining involved in the creation of Malaysia. Singapore's overwhelming Chinese population would not be as strong in federal policy-making as expected, while Borneo's non-Chinese majorities would be stronger. At the same time the fears of the Bornean natives that they might be submerged by the more numerous and more politically experienced Malays could be assuaged.

The representation compromise in the case of Singapore reflected some hard political bargaining about degrees of autonomy within the federal structure. Singapore was not willing to enter the new federation on the same term as the states of Malaya. Lee Kuan Yew and the PAP demanded and got greater autonomy for a state that they regarded as more important to the Federation than any of the constituent units of Malaya, and a state that in composition, urbanization, etc., was considerably different from the other units of the new federation. Singapore was given special consideration, as later sections will point out, but in return it had to give up some of its otherwise expected federal representation. Sabah and Sarawak, unlike Singapore, got the best of both worlds - increased representation and greater autonomy.

Citizenship and Migration In all Southeast Asian states with local Chinese minorities, citizenship has been a troublesome problem. The Republic of China (Taiwan) has never formally recognized the right of Chinese living abroad to divest themselves of their Chinese citizenship, and, while there is now a wealth of evidence to the contrary, for years it was assumed that the People's Republic of China was following the same course.[27] For this, and other reasons as well, no noncommunist Southeast Asian country had formal relations with the PRC until Malaysia led the way on May 31, 1974.[28] However, even though the PRC has now demonstrated a willingness to cut its ties with Chinese abroad there remains some lingering suspicion in almost all Southeast Asian countries of any Chinese who claims to have changed nationalities, regardless of the formal commitments made.

In international perspective the citizenship laws of both Malaya and Malaysia have not been usually restrictive. In Malaya, until the Constitution was amended in 1962, it

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27 The seminal work that destroyed many of the old myths and clichés is Stephen Fitzgerald, *Chinese Policy Toward the Overseas Chinese* (Cambridge: Cambridge University Press, 1973). The joint communiqués of the People's Republic of China with Malaysia, the Philippines, and Thailand each contains sections dealing with the ethnic Chinese minority. Dual nationality is prohibited, and the Chinese are urged to seek local citizenship.

28 When the Malaysian Prime Minister, the late Tun Abdul Razak, journeyed to Peking in late May 1974 there was speculation that Malaysia would lead the way in establishing diplomatic relations. However, the rapidity with which agreement was reached surprised many. In a story on Razak's arrival at the Peking airport, however, the *Peking Review* (May 31, 1974): 5, stated that "during his visit ... Razak will sign a joint communiqué ... announcing the establishment of diplomatic relations." See *The Guardian* (London), May 29, 1974, p. 4, on the visit. On the results see *The International Herald-Tribune* (Paris), June 1, 1974, p. 1. The Chou-Razak communiqué recognized the 2.9 million Malaysians of Chinese ancestry as Malaysian citizens and urged the 220,000 noncitizen Chinese to abide by local laws. Although the communiqué did not specifically mention communist rebel bands in the jungles, Point Two renounced foreign aggression and stated that "the social system of a country should only be chosen and decided by its own people." See *Peking Review*, No. 23 (June 7, 1974): 8. The Philippines followed the Malaysian lead in June 1975, and Thailand, in July of the same year.

was provided that all persons who were citizens of the protected Federation on Merdeka Day (Independence Day, August 31, 1957) and all persons born in Malaya after that date were citizens.[29] In addition, citizenship by naturalization was available to all citizens of the United Kingdom or any of its colonies if they met certain qualifications.

In 1962 the citizenship laws were stiffened to make it more difficult for non-Malays to qualify. The principle of unqualified *jus soli* for Federal residents was abandoned in favour of a scheme of citizenship that combined *jus soli* (residence in the country at the time of birth was required) with *jus sanguis* (one of the two parents had to be a citizen or a permanent resident at the time of the child's birth). At the same time it was made easier to deprive certain categories of persons of the citizenship they had obtained.[30]

Throughout the history of the Federation of Malaya citizenship was almost always a hotly debated political issue. The rules changed as the federation matured, but it was always a single, national citizenship that was involved. Malays could be recognized as subjects of their Sultans, and thereby derive state nationality, but there was only one citizenship for all persons of the Federation of Malaya. The situation became much murkier when Malaysia was created in 1963.

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29 The former provision introduces some complexities, but in general, all persons who were nationals of any state of the Federation (largely this applied to Malays) were citizens of the Federation. In addition, the following categories of persons could have been citizens at the time of independence: any person born in a state of the Federation, one of whose parents had also been born in Malaya; any citizen of the United Kingdom or colonies born in one of the Straits Settlements; certain categories of citizens of the United Kingdom or its colonies, wherever born; and female citizens of the United Kingdom or its colonies who at the time were married to Malaysian citizens. See *Malayan Constitutional Documents*, 1959, pp. 249-251.

30 For a review of the citizenship issue in both federations see Simandjuntak, chapter VII. Some of the discussion here has been taken from this source.

In the Constitution of the Federation of Malaysia citizenship provisions fill eighteen-and-a-half pages.[31] There are general provisions for all persons, special provisions for Borneo, special provisions for Singapore, exceptions to some, and other exceptions applicable to all. Two basic obstacles to merger faced the framers when they considered citizenship and migration: Singapore politics had to be restricted to the island city-state, and Bornean leaders had to be guaranteed protection from itinerant entrepreneurs from the more advanced urban areas who might try to exploit the less sophisticated natives.

To achieve the former, the Constitution of Malaysia, unlike the Malayan Constitution, imposed restrictions on both the voters and their candidates. In thirteen of the fourteen states candidates could be assigned constituencies in which they were not residents, but in Singapore all candidates had not only to be Singapore residents, but Singapore citizens as well. Further, Singapore citizens could stand for federal office only in a Singapore constituency. Also, while the Malay states had liberal provisions on voting in other constituencies, Singapore citizens could vote only in Singapore. This distinction between Federal citizenship and Singapore citizenship was itself a complex matter. By act of law all persons who were Singapore citizens on Malaysia Day (September 16, 1963) were thereby Federal citizens. While the Constitution describes the two citizenships as not "severable," the language does not support the assertion. In fact, provision was made for a Singapore resident or non-resident to divest himself of Singapore citizenship while retaining Federal citizenship even if he had gained his Federal status by virtue of his Singapore citizenship. The formulation was complex, but it apparently represented the necessary political compromises

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31 Part III, "Citizenship," has 3 chapters and 31 numbered paragraphs. In addition, the Second Schedule, which also deals with citizenship, has 3 parts and 27 clauses. Both also have numerous subclauses and amendments. The net effect is probably an attorney's dream and a prospective citizen's nightmare. Simandjuntak understandably concludes that "in their final form, the Malaysian citizenship laws are hedged by such a tangle of complexities that only those who drew up the Bill can be expected to find their way with reasonable ease through the citizenship maze; others are bound to get lost." (p. 191). To this I can only add my doubts that even the framers can get through without at least a few wrong turns and false starts.

if predominantly Chinese Singapore were to be acceptable to the predominantly Malay government of Malaya.

The second obstacle (migration to Borneo) was handled in a more straightforward manner. While immigration (including temporary visits) is a federal matter, immigrants to Sabah and Sarawak must obtain prior approval from the government of the state concerned. Thus, a non-Malaysian applicant for a Malaysian visa who plans to visit West Malaysia will have his application approved or disapproved in Kuala Lumpur. For visits to Sabah and Sarawak, however, the Ministry of External Affairs must first forward the applications to Kuching or Kota Kinabalu before giving final approval for issuance of a visa. Tourists from countries with visa abolition agreements with Malaysia could find themselves confined to West Malaysia, despite the provisions of the treaties. Finally, the prerogative of denying admission to the Bornean states applies equally to Malaysian citizens residing in the peninsula (and formerly in Singapore), and, should the issue be forced, it would be applicable to unwelcome civil servants assigned to Sabah and Sarawak.[32]

Language and Education The constitutions of Malaya and Malaysia both stipulated that Malay was to be the national language, but both also provided that English could be used alongside Malay until Parliament should rule otherwise. The constitutions also provided that the people of Malaya were free to study and speak the language of their choice. The fact is that the Federation of Malaya made a determined effort to shift entirely to Malay, and this policy was pursued with even greater determination after the creation of Malaysia, though with some restraint in the case of Singapore and the East Malaysian states.

It had also long been a policy of Malaya to discourage education in languages other than Malay or English (and, later, English too was discouraged). This was done by giving financial support only to those private schools that were willing to adopt the national curriculum and conform to nationally imposed standards. The result was a gradual atrophying of Chinese and Tamil education in the peninsula.

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32 In the past Sabah more frequently exercised this constitutional guarantee. Journalists, politicians, academic researchers, and other undesirables were sometimes denied entry into Sabah under the Mustapha régime.

Chinese-language education was in fact on the decline in Singapore as well, but in this case it was more a matter of the free market in operation. All streams were equally available and equally supported by the government, but the economic marketplace needed more English-trained than Chinese-educated graduates. However, the availability of Chinese-language education has great symbolic appeal to Chinese parents, even if they choose not to send their children to Chinese schools, and Malay-language education was not an acceptable substitute for English. For these reasons, the PAP could not willingly accept for Singapore the imposition of the Malayan educational system, and the result was another federal compromise.

Education remained a federal matter for all states except Singapore, but in Singapore's case all apsects of education were included on the "Supplement to the State List for Singapore". In addition, Sabah and Sarawak, particularly the former, had begun only in 1960 to reform their educational systems by extending the use of English, and in these two states there was strong, though not unanimous, feeling that the newly established pattern should be maintained. Point 2(e) of the "Twenty Points" submitted to the Intergovernmental Working Committee stipulated that English should remain the official language of Sabah, and Point 15 urged the Federal Government to permit Sabah to retain control of its educational system. The Intergovernmental Committee (Lansdowne Committee) accepted that Malay should not become the official language of Borneo in the first ten years, but it left the door open to action by the State Assembly after this date to shift to Malay. Education was treated similarly, except that no time limit was imposed.[33] Neither set of proposals was formally inserted into the 1963 Constitution, but some Bornean leaders - particularly Donald Stephens in Sabah - insisted that the "Twenty Points" had been accepted by both Borneo and Kuala Lumpur as the basic terms of merger.[34]

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33 Great Britain, Colonial and Commonwealth Relations Offices, *Malaysia: Report of the Inter-Governmental Committee* (London: HMSO, 1963), paras. 17, 28.

34 Gordon P. Means, *Malaysian Politics* (London: University of London Press, 1970), p. 380. Donald Stephens felt the "Twenty Points" to be so important that while Chief Minister he built a monument to them (Means, p. 376). While Sarawak did not build a monument to the document, some of its leaders apparently felt as strongly. See R.S. Milne and K.J. Ratnam, *Malaysia - New States in a New Nation* (London: Cass, 1974), p. 58.

Finance In the old Federation of Malaya almost all aspects of finance were the concerns of the central government. The Federal List was long and all-inclusive; the State and Concurrent Lists contained no mention of finance; and the Tenth Schedule assigned only two types of federal grants to the states on an annual basis (capitation and roads). The Central Government was responsible for collecting taxes and disbursing funds in all but a few minor cases.[35] The constituent units of the federation had minimal financial security since constitutionally guaranteed funds were not plentiful. While additional federal funds could be voted by Parliament at any time and for almost any purpose, such federal largess was likely to be dependent to a great extent upon the cordiality of relations between the centre and the state. The Alliance controlled Parliament with an iron hand, and the Alliance was not reluctant to impose political criteria in allocating public funds.

Taxation and the disbursement of public revenues have usually posed major hurdles in the creation of new federations and the Federation of Malaysia proved no exception.[36] Basically the problem was simple to understand but exceedingly difficult to resolve. Of four new units to be added to the existing federation, two (Singapore and Brunei) produced revenue surpluses, and two (Sabah and Sarawak) were thought to need more funds for development than they could produce. The Malaysia scheme was attractive to the Bornean states largely because of the possibility it offered for securing needed

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35 Part III of the Tenth Schedule listed fourteen types of minor revenues to be collected and retained by the states. In addition, for the tin-producing states the Constitution (Art. 110[3]) provided that 10% (or more, if the National Financial Council recommended and the Parliament so approved) of the export duty on tin should be returned to the states.

36 The running battle over finances between Tan Siew Sin (Malayan Minister for Finance) and Prime Minister Lee Kuan Yew of Singapore is chronicled in almost daily blow-by-blow accounts in *Straits Times* of March-July 1963 and in the *Far Eastern Economic Review* of the same period. Willard A. Hanna summarized some of the debate from the contemporary perspective in one AUFS *Report* - "Toward M-Day, August 16, 1963" - and a very detailed treatment is contained in Simandjuntak, pp. 222-235, which also deals with Brunei. The Brunei discussions, which were also difficul were less visible and less acrimonious. The discussions that follows borrows from Simandjuntak, but it is also influenced by private discussion with some of the persons involved at the time.

development funds. This aspect of Malaysia, however, was unattractive to Singapore and Brunei because it imposed new and probably continuing burdens on their treasuries. In the constitutional draft all parties agreed to disagree, and the Constitution only refers to "an agreement to be made before Malaysia Day" (Art. 112[7]). The Agreement involving Singapore, which came at the end of the four-month public and private debate between Kuala Lumpur and Singapore, finally had to be concluded in the cooler climate of London.[37] The Brunei debate was also taken to London, but unlike Singapore's financial problem British diplomacy failed in this case and Sultan Omar rejected Malaya's final ultimatum.[38]

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37 Federation of Malaysia, *Agreement between the Governments of the Federation and Singapore on Common Market and Financial Arrangements* (Kuala Lumpur: Government Press, 1963), Cmnd. 27 of 1963.

38 The most publicized problem certainly involved finances (Sultan Omar would not concede that the central government had the sole right to levy duties on Brunei's oil, and Kuala Lumpur would not concede its right to levy and collect all federal taxes), but the unresolved question of the Sultan's precedence in the Conference of Rulers also contributed to the breakdown of the discussions. Precedence in the Conference is important to any Ruler with larger ambitions. Every five years (or more frequently if a vacancy occurs) the Conference must select one of its members to serve as Yang di-Pertuan Agong, the titular Head of State. The nine Malay Rulers (the Governors of the non-Malay states are not members of the Conference) vote on each Ruler in order of precedence (unless he withdraws his name), and the first Ruler to get a majority (five of nine votes) becomes the new King. Next the Timbalan Yang di-Pertuan (Deputy King) is selected in the same manner. In practice this gives the edge to those at the top of the precedence list, and virtually eliminates those at the bottom. (See Federation of Malaysia, *Malaysia, 1971: Official Yearbook* (Kuala Lumpur: Government Press, 1972), pp. 28-29, for an explanation of the election process.) Since all Rulers entered the Conference simultaneously in 1957 seniority was determined by length of service on the throne (Constitution, Article 70). However, the Conference had also agreed that the Ruler of any state newly entering the Federation would enter the Conference with a place at the bottom of the list of precedence. The Sultan of Brunei reportedly wanted the rules changed so that precedence in the Malaysian Conference of Rulers would be based on one of the following: (1) length of service on the throne, or (2) date of the creation of the institution of the sultanate itself. Since the King is elected for five-year terms, the Sultan of Brunei could reasonably look forward to his turn in the office under either of the procedures he proposed, but his chances were slim if he entered under the then existing rules. The Conference would not yield on this, and apparently the government applied little or no pressure on them (perhaps because of the course the financial discussions were taking, anyway).

In the end Singapore retained the right to collect its own taxes and to retain these under its own control in Singapore. However, it also agreed periodically to remit 40% of these to the Central Government. According to the terms of the Agreement the Central Government could give general guidance and direction, but it nevertheless remained Singapore's responsibility to collect all of its own revenues, and this was the only state that enjoyed this authority.[39]

The Bornean states also received more autonomy than that enjoyed by the peninsular states of Malaya. Most important, the two states were given the constitutional right to collect and retain export revenues on minerals and forest products. Sabah's post-Malaysia economic boom can be attributed in large measure to this constitutional provision, taken in conjunction with the provision allowing state control of immigrant labour from outside and within Malaysia.[40]

Writing about the Federation as it existed about 1964, Simandjuntak concluded that so far as finances are concerned - and this is the life blood of any political system - Singapore was virtually autonomous within the federation; the eleven peninsula states of Malaya were almost totally dependent on the central government, even for most of the essential state services; and somewhere between these extremes lay the East Malaysian states of Sabah and Sarawak.[41] This summarizes well the financial arrangements reached through many compromises during the long months of negotiations. The

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39 However this authority granted to Singapore was revocable if Singapore had proved unable or unwilling to carry out the terms of the Agreement, or if Singapore failed "to comply with any direction properly given to it by the Federal Government ..." (Cmnd. 27 of 1963, para. 5.)

40 Labour was in short supply in Sabah almost from the inception of Malaysia, and the political leaders apparently intend to keep it this way as a means of driving up the standard of living. Before the creation of Malaysia, Hong Kong had been the major source of Sabah labour. Timber concessions have been much involved in Sabah politics, and timber-land revenues have been very important to the Sabah Government, as well as to some Sabahan politicians, if some of the published reports are accurate.

41 Simandjuntak, *op.cit.*, p. 234.

rhetoric was often shrill, and on some occasions the debate descended to personal attacks delivered through the media. Many hoped that the bitterness between Singapore and Kuala Lumpur - in particular, between Lee Kuan Yew and Tan Siew Sin - would subside once the various Malaysia accords were signed, but this was not to be the case.[42]

Federalism's First Major Test: Singapore-Malaysia Tensions[43]

Relations between Singapore and Kuala Lumpur improved, but only for a brief honeymoon period before old differences resurfaced. Each major party had entered into the Malaysian Deliberations with its own set of motives and goals, and each hoped to pursue these within the new federal framework. However, the motives, goals, actions and personalities all proved to be incompatible. While there were many specific irritants, the most difficult differences stemmed from a fundamental disagreement on the nature of the state and the rightful place of each of the races in the state. Prime Minister Lee Kuan Yew of Singapore found it impossible to accept many of the premises espoused by the Malayan Alliance, and the Malay leadership of the Alliance found it impossible to accept Lee's.[44]

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42 The Lee-Tan debate must be viewed in the larger perspective of the dispute between the Malayan Chinese Association (led by Tan and based in Kuala Lumpur) and the People's Action Party (led by Lee and based in Singapore), which was eventually to contribute to the severance of relations between Singapore and Malaysia.

43 I have dealt with this subject in somewhat greater detail but in a different perspective in "Malaysia and Singapore: The Failure of a Federation," in Tilman, ed., *Man, State, and Society in Contemporary Southeast Asia* (New York: Praeger, 1969), chapter 35. Also see the author's *Malaysian Foreign Policy* (McLean, Va.: Research Analysis Corp., 1968).

44 Lee never relinquished the title of Prime Minister, despite the practice in the other states of using "Chief Minister". "The other Prime Minister" was apparently irritated by this, but it was not until after separation that he spoke of the impossibility of having two Prime Ministers in a single country. See T.J.S. George, *Lee Kuan Yew's Singapore* (London: Andre Deutsch, 1973), p. 82. (Although the George study contains much useful information it is badly coloured by the author's undisguised dislike of the Singapore Prime Minister.)

With the exception of the PMIP all major Malaysian political parties supported equal treatment for all Malaysians, but "equality" had several different meanings. In Malaya the government had invested vast public sums in support of the Malays in the belief that eventually such unequal treatment would elevate them to a level where they could be equals of the Chinese. To the extent that this plan succeeded Malays were able to compete with Chinese, and as they did, they encroached on areas of economic activity that the Chinese had regarded as the domain granted to them as part of the traditional communal bargain. Conversely, however, the Chinese could see little evidence of a Malay willingness to permit non-Malays to enter some of the protected Malay fields, particularly the government administrative services. In Singapore equality, or a "Malaysian Malaysia," as Lee so frequently described it, meant a policy of racial *laissez faire* - a policy that would have been disastrous for Malays in the eyes of the Alliance leadership. In brief and oversimplified terms, Kuala Lumpur espoused unequal treatment for Malays to make them the equals of Chinese, while Singapore leaned more toward equal treatment for all so that the best could rise to the top unaided.

It was inevitable that differences in racial policies in Singapore and Kuala Lumpur would be translated into political issues at the national level. Parties were (and are) grounded in race throughout Malaysia, and the union of Singapore and Malaysia provided fertile new fields for each of the parties to recruit new support. UMNO, the dominant voice of the Alliance, presumed that it spoke for most Malays throughout Malaysia, and it regarded the PAP as representative only of the Chinese of Singapore. The PAP regarded itself, however, as representative of all Singaporeans - Chinese and Malays alike - and, in addition, it was beginning to try to woo Chinese voters north of the causeway.

When UMNO decided to enter the 1963 Singapore elections it did so with considerable confidence that it could capture the three overwhelmingly Malay constituencies in the island without extensive campaigning. That it failed to gain even one of these seats was sobering, and it probably contributed to the decision to invest many more resources to gain Malay support in Singapore. UMNO no doubt realized that this would lead to increased conflict with the PAP, but the PAP itself seemed interested in poaching in Alliance territory.

Elections were called for the peninsula in 1964, and the PAP decided to contest them, but to contest only several

selected seats. The Party put up only nine candidates, apparently hoping to win six or seven. The strategy seemed to be to demonstrate to UMNO that the PAP could win at will among the Chinese if it chose to run, which hopefully would convince UMNO leaders that the PAP was more popular with the Chinese electorate than the MCA. If so, it followed that the PAP, not the MCA, should constitute the Chinese component of the Alliance. Thus the PAP campaigned not against the Alliance, but against the MCA. Apparently the distinction did not register with the voters - who must understandably have been confused by an opposition party supportive of two-thirds of the party in power - and the PAP was resoundingly defeated when it captured only one seat.

The meaning of the campaign may have escaped the voters, but it did not escape the Alliance leadership. It was by then abundantly clear that the PAP was not to be confined to Singapore in its political crusading. Moreover, despite this setback, the Alliance could not afford to underestimate the political astuteness of Lee.

Meanwhile in Singapore the UMNO crusade for Malay support was gaining momentum. The message was carried to the Malay people through the pages of the Arabic-script, Malay-language daily, *Utusan Melayu*, and almost weekly by firebrands sent down from Kuala Lumpur. The message was clear: Lee wanted a Chinese Malaysia, he was a traitor to the cause of all Malays, and he was oppressing the Singapore Malays and would oppress all Malays if given the opportunity. However, as the message continued, the Malays of Singapore need not fear the PAP because the Malays of Malaysia were in power in the Federation, and they would look after their brethren in Singapore.

By mid-July 1964 leaders of the two communities were no longer urging their followers to work together. The inevitable confrontation and bloodshed occurred at the time of the Prophet's birthday celebration (July 21, 1964). The riots were quelled, but by then both sides probably knew that some drastic changes would have to be made.

The full story of the split between Singapore and Malaysia has yet to be told. The Alliance's options were limited: Lee could be arrested, which had been advocated by some rabid UMNO leaders, but he would surely thereby become a martyr in the eyes of many, and his popularity and stature might well grow in prison. Singapore might be expelled from the Federation (though there was no provision for expulsion

or secession in the Constitution). Or, on the threat of expulsion the Alliance might be able to get a PAP commitment to drop Lee.

The Alliance was probably not alone in thinking about possible alternatives, but Lee's options were also limited: he could continue the PAP on its current course and face the consequences. He could back down and toe the Alliance line. He could withdraw from active participation in the PAP in favour of a leader more acceptable to the Alliance.[45] Or he could withdraw - or be expelled - from Malaysia.

By 1964 two things were certain: Singapore was viewed by Malaysia's leaders more as a liability than an asset for the Federation.' On the other side, Lee, while probably not going quite this far, was having some second thoughts about the necessity of remaining a part of the Federation.[46]

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45 As a last minute attempt to avoid separation the British, perhaps working with some moderate friends in Kuala Lumpur, seem to have proposed a coalition government with Goh Keng Swee and Lim Kim San representing Singapore. In this scheme Lee would have accepted the ambassadorship to the United Nations, but it has been reported that this failed when the Tunku would not agree that Lee should stay in New York for only two years. (George, p. 83, mentions this as a fact; Sopiee, *From Malaysian Union* ..., p. 211, quoting a contemporary newspaper account, treats it as a possibility. There is no evidence that the proposal received serious consideration.)

46 Some authors, including myself, have suggested that Singapore may have opted out of Malaysia, perhaps through the tactic of applying pressure until expulsion could not be avoided, or, perhaps, through a gentleman's agreement between the two principals. Thomas Bellows in *The People's Action Party of Singapore*, pp. 65-66 and 148-149, accepts the Singapore initiative but does not state how it was effected. George, *Lee Kuan Yew's Singapore*, chapter 5, accepts the opt-out theory and leans toward the "pressure" interpretation. These opt-out theories have been rejected outright by most observers, but M.N. Sopiee investigated them in some depth and concluded that while they have validity, on balance the evidence supported the expulsion theory. His treatment is convincing so far as the available evidence permits one to go, but I remain unconvinced that all the evidence is in. I am not certain that Singapore was not expelled, but I am not convinced beyond doubt that it was. See Sopiee, *From Malayan Union* ..., pp. 212-221. This study also contains the best day-to-day account available thus far of the intricate political manoeuvrings that immediately preceded the break. See pp. 199-212.

The separation of Malaysia and Singapore was announced to a stunned Parliament at 10 a.m. on August 9, 1965. Simultaneously in Singapore Prime Minister Lee Kuan Yew proclaimed the independence of the island republic before a hastily summoned news conference. The bitter family dispute had ended in divorce, and the new Federation of Malaysia was an entity different from the federation created less than two years earlier.

3: THE POLITICAL DIMENSIONS OF MALAYSIAN FEDERALISM

Politics, Federalism, and the Amendment Process

The Constitution of the Federation of Malaya was easily amended and amendments were numerous. Except for several entrenched provisions that required the approval of the Conference of Rulers,[47] most articles could be amended by a two-thirds vote of each House of Parliament, while several types of amendments required only a simple majority.[48] As Table II, below, demonstrates, the Alliance was never without any easy two-thirds majority throughout the history of the Federation of Malaya, and the Alliance had a tightly disciplined parliamentary party. As a result the Party introduced many constitutional amendments, and all were passed

Table II: Distribution of Seats, Dewan Ra'ayat, Federation of Malaya

Year	Votes Required to Amend Constitution	Alliance Seats	Opposition Seats
1955	35	51	1
1959	70	74	30

47 Articles 38, 70, 71(1), and 153. All but the last of these pertain to the Conference of Rulers and the Rulers themselves. Article 153 concerns Malay privileges.

48 Those provisions requiring only a simple majority are the Second Schedule (supplementary provisions regarding citizenship), Sixth Schedule (oaths and affirmations), Seventh Schedule (election, appointment, and retirement of Senators). Also any provision could be amended by simple majority vote if the amendment was necessary for Parliament to legislate in areas where it had the constitutional right to do so (not to include the state-federal distribution of powers in Articles 74 and 76). For all practical purposes the House of Representatives amended the Constitution. The Senate could be depended on to assent to everything sent to it.

In fact, in just the seventy-two months and two weeks that the independent Federation of Malaya was in existence, Parliament approved ninety-five changes in the wording of the Constitution.[49]

The amendment process was not greatly changed in the Malaysian Constitution of 1963 except to strengthen the position of the Bornean states on several issues that they considered vital. The Constitution cannot be amended in any way that affects Sabah and Sarawak without the approval of each of the Governors on matters of citizenship and immigration, encroachment by the Federal Parliament into state legislative areas,[50] religion, and state representation in the Federal Parliament.[51]

Although the Alliance Party as a whole was not as well disciplined after the addition of members from Sabah and Sarawak, it still enjoyed a comfortable majority of more than two-thirds following the 1963 indirect elections in Borneo, the 1963 elections in Singapore, and the 1964 general elections in Malaya. In a 159-member House the Alliance could count on some 123 votes - 17 more than was needed to amend the Constitution.[52]

In 1969 the situation was considerably different. The communal rioting that erupted in May 1969 following the general elections in the peninsula triggered the suspension of Parliamentary rule, and the National Operations Council

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49 This tally was made from the Constitution as it read on the eve of the creation of Malaysia. It does not include any amendments required to give effect to the enlarged Federation. Tan Sri Mohamed Suffian bin Hashin reports "fifteen amendments" to the Constitution from 1958 to 1971. See *An Introduction to the Constitution of Malaysia* (Kuala Lumpur: Government Press, 1972), p. 319. This means that on fifteen occasions the government had gone before Parliament asking for changes, but on each occasion Parliament was presented a package of changes, some of which involved many aspects of the Constitution.

50 However, see the discussion of the Ningkan case below.

51 Article 161E(2).

52 The Alliance held the following seats: Malaya, 89; Sabah, 16; Sarawak, 18. The 36 opposition seats were divided among 8 parties.

took this opportunity to assess the magnitude of its future problems. To prevent the acrimonious debate that preceded the rioting the Alliance intended to introduce several constitutional amendments which would remove from the political arena some Malay privileges that had previously been based on informal understanding among the Alliance élite, but to do this the Party needed a reliable two-thirds majority. After the elections in the peninsula it seemed doubtful that this majority would materialize unless the Alliance could do better than expected in Sabah and Sarawak, where the elections had been scheduled for several weeks later. Specifically, the Alliance had won only 66 of 104 seats in Malaya, and thus it needed at least 30 of the 40 Sabah and Sarawak seats to get its two-thirds majority. A victory of this magnitude seemed unlikely in 1969, so the Alliance postponed the elections until a better time had come.[53]

The Sabah and Sarawak elections were finally held in mid-1970, but the results were still not entirely satisfactory. The Alliance did well in Sabah (where it took all 16 seats) but poorly in Sarawak (capturing only 9 of 24 seats). It was still five votes short of the two-thirds majority it badly needed in the Federal Parliament, and it seemed doubtful that the Alliance-controlled NOC would resume representative government until this was attained. The impasse was finally broken on July 17, 1970, when the oppositionist Chinese party of Sarawak, the Sarawak United People's Party, announced that while it was not joining the government at the time,

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53 Ostensibly the elections were postponed because of a communist threat, but few, including Malaysian officials in Kuala Lumpur, in 1970, took this explanation very seriously. Actually, this represented the second postponement by means that were questionable. The Sarawak elections should have been held no later than October 1968, but in 1968 the Sarawak Alliance was in disarray, and the Malaysian Alliance felt that more time was needed to prepare to go to the polls. The elections were therefore postponed to coincide more nearly with the federal elections scheduled for 1969. The device used to effect the postponement involved an amendment to the Federal Constitution, where a two-thirds majority was assured, rather than the State Constitution, where a two-thirds majority was unlikely. See Milne and Ratnam, *The Malayan Parliamentary Election of 1964*, p. 56.

it nevertheless would not vote against it.[54] The stage was set for the eventual resumption of parliamentary government in 1971.

The first item of importance on the legislative agenda was the most sweeping Constitutional amendment that had been passed in the history of both Malaya and Malaysia. By a vote of 125-17 in the House and unanimously in the Senate, Parliament approved amendments that removed practically all contentious Constitutional provisions from the arena of public discussion. Language policies, the special position of Malays and other *bumiputras*, sovereignty of the Rulers, and citizenship - none of these could any longer be discussed publicly, whether in the media, at public gatherings, or even in Parliament.[55]

Federalism and the Politics of Development: Kelantan and Trengganu

Only two constituent units of the old Federation of Malaya voted non-Alliance state governments into power in the first postindependence elections in 1959. In both Kelantan and Trengganu the PMIP won, handily, in the case of the former, and slimly, in the case of Trengganu.[56] Despite impressive development programmes elsewhere in the country, little central-government activity took place in these two states until each, in its own fashion, came to an understanding

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54 This summary has been taken largely from R.K. Vasil, *The Malaysian General Elections of 1969* (Kuala Lumpur and Singapore: Oxford University Press, 1972), chapter V. This was part of a larger bargain also involving the formation of a government in Sarawak. The Federal Government in effect dictated the composition of the Sarawak Government but the Sarawak United People's Party's (SUPP) five parliamentary seats gave them considerable leverage. See Michael B. Leigh, *The Rising Moon* (Sydney: Sydney University Press, 1974), pp. 142-147.

55 In theory at least these provisions are now so deeply entrenched that even to amend them would villate the Constitution since it would require discussion on the Parliament floor.

56 In Kelantan the PMIP took 28 of 30 seats and the Alliance took the remaining 2. In Trengganu the PMIP won 13 of 24 seats, and the Alliance split the other 11 with Party Negara, which took 4 of the 11.

with the Alliance-controlled government in Kuala Lumpur. In part this was due to a reluctance on the part of the states to provide the Alliance with an opening to expand its political influence in non-Alliance territory; in part the Federal Government was unwilling to risk strengthening opposition state governments with federal funds (which were often viewed in Kuala Lumpur as Alliance funds); and in part it reflected the basic conservatism of the leadership in the less developed northeast.

Both Kelantan and Trengganu were unwilling to co-operate with the Federal Government in rural development, which at the time enjoyed a very high priority at the national level.[57] Both were reluctant to set aside land for Federal Land Development Authority schemes, for each accused the Federal Government of exploiting the land shortage for political purposes. On the other side of the coin the Federal Government accused these two states of resisting federal assistance for selfish political reasons. There is some truth in each charge, as the Kemaman case reveals.

The Kemaman District in Trengganu was one of the few dependable bastions of Alliance support in the northeast. It gave the Alliance solid support in the 1959 state and federal elections, despite the fact that it was supporting a losing cause. The Kemaman District Development Committee[58] was dominated by the Alliance members; the State Development Committee was as firmly under the control of the PMIP; and to complicate the picture further, development funds came principally from the federal sources. After the 1959 elections the Kemaman Committee drew up ambitious plans for submission

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57 See Gayl D. Ness, *Bureaucracy and Rural Development in Malaysia* (Berkeley: University of California Press, 1967). Much of the discussion in this and the following paragraph is derived from a series of five articles on the problems and prospects of rural development in the PMIP controlled states by Dahari Ali in the *Straits Times* (Singapore), which appeared in 1960. See December 5, p. 8; December 6, p. 8; December 7, p. 10; December 8, p. 8; and December 9, p. 10.

58 On the organization of the rural development programme, see Ness, chapters VI and VII. Ness, pp. 216-221 discusses the political importance of district development committees and cites Kemaman as an example.

to the State Committee. The State Committee not only cut Kemaman's requests drastically, but it put it in its place by relegating the Kemaman District to the bottom of the state list of priorities for development. The District Committee sent an envoy to Kuala Lumpur to discuss their problems with the Ministry of Rural Development, where, not surprisingly, he found considerable sympathy. As a result of this meeting the Ministry dipped into its "immediate result funds" and made a direct grant to Kemaman that in effect restored all the cuts made at the state level.

Kemaman, in the end, fared well in all of its development programmes. Shortly after independence the Federal Government announced its intention to replace the many ferries operating on the main roads of the northeast with monsoon-proof bridges. In Kelantan and Trengganu, however, delays followed delays, and in 1960 work was proceeding on only one bridge, which happened to be located in the Kemaman District.[59]

The Kemaman case was instructive for many in Trengganu, and in October 1961 the fragile PMIP Government yielded to an Alliance Government. New elections were planned for 1964, and the Alliance apparently decided to use Trengganu to teach Kelantan the same lesson that Kemaman had taught Trengganu. Between 1962-64 development funds poured into Trengganu. Immediately after the Alliance take-over Trengganu got its first "fringe area land scheme" (Kelantan had none), and in two years the Federal Government opened 18,500 acres for settlers.[60] The Minister of Rural Development and Deputy Prime Minister promised the voters that development expenditures would be doubled if Kelantan would depose the PMIP, and the Minister of Agriculture and Co-operatives promised to spend two months in the state personally supervising the establishment of new projects. It was also reported that 30,000

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59 *Straits Times* (Singapore), December 6, 1960, p. 8.

60 "Fringe" referred to the forested land surrounding populated areas. The figure is derived from Dorothy Guyot, "The Politics of Land: Comparative Development in Two States of Malaysia," *Pacific Affairs*, XLIV (Fall 1971): 372. Guyot questions the quality of these particular schemes and notes how few of them were successful. She also points out that only 1,000 acres of land were opened in 1964 after the Alliance has won the sought-after victory. She points out Kemaman as one district that did exceedingly well in securing new schemes.

Alliance political workers fanned out to the kampongs "to tell [the voters] ... of the rural development projects ... and to ask them: 'Do you also want them? - If you do, vote the sailing boat'".[61] Many persons were convinced of the validity of the newspaper's comment of the time that "as in Trengganu two years ago, this [rural development] would automatically follow if the PMIP fell from power."[62] In fact it was apparent that in just two years Trengganu had far out distanced Kelantan in the race to obtain development assistance. According to Tun Razak (then Deputy Prime Minister and Minister of Rural Development), Kelantan had received a total of M$45 million in development in five years, while Trengganu had got more than M$100 million in the two years that followed its change of government.[63]

Although the Alliance considerably strengthened its position in Kelantan in the 1964 elections it failed to win either the state legislature or a majority of the state delegation to the Dewan Rakyat.[64] Kelantan remained a PMIP state, but it was apparent that the strength of the Alliance was growing. Moreover, as always, Kelantan was short of funds, and the financial crisis was growing worse.

On July 19, 1964, the Mentri Besar of Kelantan remarked that the state was prepared to co-operate with the Federal Government in all matters, and this kind of thinking finally culminated in an agreement on November 5 "to accept unreservedly financial aid from the Central Government under the rural development plan."[65] An eighteen-month honeymoon

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61 *Straits Times* (Singapore), April 20, 1964, p. 10. The "sailing boat" was the symbol of the Alliance printed on the ballot.

62 *Straits Times* (Singapore), August 30, 1963, p. 10.

63 *Straits Times* (Singapore), April 29, 1964, p. 10. (At this time US$1 = M$3.00).

64 The Alliance increased its representation in the state legislature from 2 to 9 (the PMIP dropped from 28 to 21). The Alliance did not improve its position as much in the federal elections. In 1959 it captured 1 of 10 seats, and in 1964 it got only 2. See Ratnam and Milne, *The Malayan Parliamentary Election of 1964*, p. 438.

65 On the initial comment see *Straits Times*, July 20, 1964. On the agreement between Mohamed Asri bin Haji Muda, Mentri Besar of Kelantan, and Tun Razak, Deputy Prime Minister of Malaysia, see *Straits Times*, November 6, 1964.

period followed, and the flow of federal development funds into the state increased considerably. Road building, which had been halted for two years, resumed, and in the First Malaysia Plan Kelantan received sizeable increases in funds earmarked for roads, rural development, health, welfare, and other federally supported projects.[66]

By mid-1966 the honeymoon was over and the Federal and Kelantan Governments were again at odds over the receipt and use of federal development funds. The Alliance and the PMIP traded charges and counter-charges, and by 1967 an Alliance Minister was again telling the people of Kelantan that "if they allowed the PMIP to continue ruling for the next five years ..." their state would fall behind Sabah and Sarawak "in the various fields of development".[67] After the Federal Government had been forced to help the state meet its payrolls on the eve of the Hari Raya holidays in 1967, the Deputy Prime Minister put it even more bluntly when he was quoted as saying that the people of the state "should topple the PMIP Government" if they wanted to see their standard of living improved.[68]

In the ill-fated elections of May 1969 the voters did not topple the government of the PMIP in Kelantan but they further reduced its majority in the state assembly and gave the Alliance candidates 47.5% of the vote.[69] However, it

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66 *Straits Times*, April 25, 1965; April 26, 1965; July 11, 1965; September 5, 1965; November 2, 1965; November 4, 1965; and June 6, 1966.

67 *Straits Times*, August 13, 1967.

68 When it became known that the Kelantan Government would not be able to meet its December 1967 payroll because the state treasury was empty the Federal Government, after getting maximum political use out of their predicament, finally agreed to provide the state with a loan of M$1.5 million with two conditions: first, the Kelantan Government had to file a report with the Federal Government explaining how it had managed to get into the situation it faced, and, second, it had to agree to accept Federal Government assistance in the preparation of the following year's budget. See *Straits Times*, December 21, 1967, and December 22, 1967. On the advice given to the people to oust the PMIP see *Straits Times*, February 26, 1968.

69 In three elections (1959, 1964, and 1969) the PMIP had seen its representation in the state legislature fall from 28 (of 30) to 21 to 19, with the Alliance picking up the remaining seats in each case. At the Federal level it dropped from 9 to 8, to 6, and again it was the Alliance that benefited. See R.K. Vasil, *The Malaysian General Election of 1969* (Kuala Lumpur: Oxford University Press, 1972), Appendix II, Tables 1(d) and 2(d).

was probably not the popular vote that forced Kelantan eventually to fall into line with the policies of the Federal Government but the realities of the new situation following the breakdown of constitutional government and the imposition of rule through the machinery of the National Operations Council. In any case, by late 1970 an Alliance-PMIP coalition was being discussed for Kelantan when the time came to return to parliamentary democracy, and this was part of the movement toward a larger national coalition that culminated in the creation of the Barisan Nasional in 1971. Thus, while Kelantan eventually lost most of the autonomy which it enjoyed, or some would say, under which it suffered, the federal use of development funds was only partially responsible. The centralizing pressures of the NOC period and its aftermath were at least of equal importance in the process.

Federalism and the Unco-operative Leader: The Ningkan Case in Sarawak

When the Malaysia issue was raised by Tunku Abdul Rahman in 1961 party politics was in its infancy in Sarawak and virtually unknown in North Borneo.[70] Not unexpectedly, as political groups emerged in response to the new issues raised, party lines tended to follow the well-recognized, understood, and accepted fault lines of the societies themselves. Thus, Malays, Chinese, and the various native tribes utilized their traditional organizational structures, cohesiveness, and leadership for new political purposes.

In Sarawak each traditional group was also split by one or more lingering historical, social, or geographic differences. Thus, the Malay community divided chiefly according to their position on the question of the cession of Sarawak to the Crown by Rajah Charles Vyner Brooke, the last of Sarawak's brief line of White Rajahs. This division together with other factors, generated two Malay parties, the Barisan Ra'ayat Jati Sarawak (BARJASA) and the Party Negara

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70 For contemporary accounts of the beginnings of political parties in Borneo see the author's "The Alliance Pattern in Malaysian Politics: Bornean Variations on a Theme," *South Atlantic Quarterly*, LXII (Winter 1964): 60-74; "Elections in Sarawak," *Asian Survey*, III (October 1963): 507-518; and "The Sarawak Political Scene," *Pacific Affairs*, XXXVII (Winter 1964-65): 412-425.

Sarawak (PANAS).[71] The two predominantly Iban parties were the Party Pesaka Anak Sarawak (Pesaka, whose support was to be found chiefly among Second Division Ibans) and the Sarawak Nationalist Party (SNAP, whose followers were largely Ibans of the Third Division, though some Third Division Kayans and Kenyahs were also associated with the party.) Pesaka was headed by Temmonggong ("leader," usually in a quasi-military sense) Jugah anak Barieng, and SNAP by Stephen Kalong Ningkan, a former medical dresser in the Shell Oil Hospital in Kuala Belait, Brunei. Chinese support was concentrated chiefly behind the Sarawak United People's Party (SUPP), though a splinter group under the sponsorship of the Malayan Chinese Association created an ineffective Sarawak equivalent of the MCA which was expectedly named the Sarawak Chinese Association (SCA).

When the first government was formed after a complex round of indirect, three-tiered elections in 1962 and 1963, Ningkan became the Chief Minister presiding over a legislative council (Council Negri) dominated by a coalition supported by Kuala Lumpur and calling itself the Sarawak Alliance. The Alliance was made up of SNAP, Pesaka, BARJASA, and the SCA, while PANAS and SUPP forged a temporary oppositionist coalition.[72] Actually both coalitions were highly unstable,

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71 Geography also entered into the split. PANAS was largely a First Division party, where the majority of Sarawak's Malay population lived, while BARJASA's membership was more broadly recruited. (Sarawak at the time was divided into five administrative divisions, which corresponded roughly to the more familiar colonial term of "district".) BARJASA leaders had been associated with the anticessionist movement; PANAS, more with those who favoured it. (See Tilman, "Sarawak Political Scene," p. 416.) The dispute over the right (and morality) of cession was bitter (a disgruntled Malay murdered the second British Governor, Duncan Stewart, some two week after his arrival), and the Malay community in particular was deeply divided. On the cession debate see Runciman, *The White Rajahs*, pp. 259-267.

72 For a description of the indirect electoral system and the initial results in Sabah and Sarawak see the author's "The Alliance Pattern in Malaysian Politics: Bornean Variations on a Theme," pp. 65-71. Although they ended up with relatively few seats in the Council Negri, the SUPP-PANAS coalition was not created for the purposes of mobilizing the opposition. The two sets of leaders thought they could win a majority of the council, and, while the snowball effect created by the indirect electoral system distorted the reflection of their

and for the first three years of Sarawak politics there were shifts of factional alignments, defections (suspended, rumoured, and actual), and, in general, great fluidity.

Although Kuala Lumpur had supported Ningkan for the Chief Ministership, it was soon apparent that he was not willing to become a captive of his federal supporters. He sided with the Malayan Alliance on some issues, but opposed it on others. The first major tension between Ningkan and the Alliance leadership in Kuala Lumpur came in 1965 over the Native Lands Bill, which was supported by Ningkan before the Council Negri.[73] Under the terms of the proposal Natives could gain full title to lands in the interior, but unlike the Malay Reservations Act of the Peninsula, Natives could dispose of their lands in any manner, and to any person, they wished. The Chinese of Sarawak strongly supported the Bill; the Natives were not unanimous but most - particularly in SNAP - seemed to be behind it; and the Malays were mostly opposed. The Central Government was also strongly opposed, so strongly in fact that the Malaysian Alliance began to urge BARJASA, PANAS, and Pesaka to desert SNAP and Ningkan and create a Native Alliance to oppose the Lands Bill. When the Chief Minister sensed that the tide was turning against him he withdrew the Bill, and with this Pesaka refused to discuss further the proposal for a Native Alliance. The 1965 Sarawak Alliance crisis had ended, but a Christian Iban who was increasingly unacceptable to Kuala Lumpur still held the position of Chief Minister.

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actual support, the fact is that their calculations were close to being correct. Margaret Clark Roff has recently concluded that the coalition might have pulled off this *coup* if the Malayan Alliance had not taken several independents out of circulation at the most crucial time by providing them with red-carpet tours of the peninsula. The same author has also pointed out other evidence of Kuala Lumpur's involvement and concludes that in the end the Federal Government "intervened massively in the Sarawak election ...." See *The Politics of Belonging* (Kuala Lumpur: Oxford University Press, 1974), pp. 122-12(Also see Michael Leigh, *The Rising Moon*, pp. 55-56.

73 For summaries of the Ningkan case, which largely parallel the presentation here, see Means, *Malaysian Politics*, pp. 381-387; Milne and Ratnam, *Malaysia - New States in a New Nation*, pp. 215-233; Roff, *The Politics of Belonging*, pp. 132-139 and 155-157; and Leigh, *The Rising Moon*, pp. 94-112.

By 1966 the Prime Minister of Malaysia had apparently decided that Ningkan had to be replaced. In a visit to Kuching in February the Tunku began to work behind the scenes with the Secretary-General of BARJASA, Abdul Taib bin Mahmud, to forge a United Malaysian National Organization similar to the proposed Native Alliance of the previous year. While Taib was away in Kuala Lumpur Ningkan heard of his scheming and preemptorily fired him from the Cabinet, after which leaders of BARJASA and Pesaka flew off hurriedly to Kuala Lumpur to confer with the Malaysian Prime Minister. In Kuala Lumpur they presented the Tunku with a "no-confidence" letter signed by twenty-one Council Negri members from their two parties. With this evidence the Malaysian Prime Minister demanded the Sarawak Chief Minister's resignation, but Ningkan refused to step down, even after a visit from the Prime Minister's Sarawak trouble-shooter, Tun Ismail bin Dato Haji Abdul Rahman. According to Ningkan's calculations he had retained a majority of the Council Negri (21 votes, plus the casting vote of the Speaker), and, moreover, in his view, he was responsible to the Council and the Governor, not to the Malaysian Prime Minister.

BARJASA and Pesaka announced in Kuching that they would boycott future Council Negri sessions (a threat forgotten as soon as they got a majority), and in Kuala Lumpur the Malaysian Alliance National Council nominated Tawi Sli of Pesaka as the new Chief Minister. The Governor of Sarawak, Tun Abang Haji Openg, after considerable pressure from Kuala Lumpur, dismissed Ningkan and appointed Tawi Sli. Thanks to the patronage available to the Chief Minister, Tawi Sli almost immediately won over several former Ningkan supporters, and shortly thereafter PANAS and the SCA defected almost *en masse* to the new Chief Minister. Ningkan took SNAP out of the Sarawak Alliance (the Alliance, of course, had already abandoned SNAP) and brought suit against the Governor for acting *ultra vires* in dismissing the Chief Minister without a confidence vote in the Council Negri.

Ningkan's contention was upheld in the High Court of Borneo, and the Government was ordered to reinstate him as Chief Minister. However, by this time he was returning to a Council in which his ruling majority had evaporated, and his legal victory was likely to have been nothing more than a hollow protest. His strategy therefore was to demand new elections to take advantage of his new-found popular support, but this was not acceptable to Kuala Lumpur. The situation reached an impasse at this point. Armed with a new no-confidence letter (now with a majority - twenty-five signatures)

the Governor, still prodded by Kuala Lumpur, requested the Chief Minister's resignation, but Ningkan ignored the request. The Malaysian Prime Minister and the Governor demanded that the Sarawak Chief Minister call a meeting of the Council Negri so that they could depose him legally, but Ningkan refused to convene such a meeting. Ningkan requested that the Governor dissolve the Council Negri and call new elections, but Tun Razak said it was impossible and the Governor refused. Radio Malaysia, Sarawak, under Federal control, reportedly refused initially to allow Ningkan to use its facilities, banned all Ningkan statements, and even refused to broadcast any news concerning the High Court ruling.[74] While it apparently later relaxed some of these restrictions, the Minister of Information and Broadcasting, Senu bin Abdul Rahman, announced that the Federal Government would broadcast "only non-political statements by Dato Ningkan ... until the political controversy in the State is solved."[75]

As expected, the climax came in Kuala Lumpur, not Kuching. On September 15, 1966, the Yang di-Pertuan Agong, acting under the authority granted him by Article 150 of the Federal Constitution, declared a state of emergency in Sarawak. All powers normally in the hands of the State Government were transferred to the Federal Parliament and Parliament was called into special session on September 19. The two Houses amended the Sarawak Constitution to permit the Governor to call meetings of the Council Negri, to require the Speaker to take instructions from the Governor and to remove and replace any Speaker who refused to follow such instructions), and, in general, to make it possible to depose even an unco-operative Chief Minister. Later in the week the Council Negri met under the provisions of the amended State Constitution and replaced Stephen Ningkan with Tawi Sli. The Federal issue had been settled, and Sarawak was firmly within the folds of the Malayan Alliance.[76]

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74 *Straits Times* (Singapore), September 10, 1966, p. 1.

75 *Straits Times* (Singapore), September 11, 1966, p. 7.

76 The Deputy Prime Minister's statement before Parliament of September 19, 1966, explaining the need for asking the Yang di-Pertuan Agong to declare a state of emergency in Sarawak, is reprinted in Peter Boyce, *Malaysia and Singapore in International Diplomacy*..., pp. 20-21. Tun Razak attributed the emergency to the presence of "more than a

Federalism and Parallel Autonomy: The Sabah Case

In the aftermath of the creation of Malaysia Sabah's politics seemed less Byzantine than the situation in Sarawak, but appearances proved to be misleading. In the context of federal-state relations there was a four-year contest for supremacy involving an avid supporter of Sabah's autonomy (who eventually lost) versus an apparently devoted follower of the Federal Government (who won). These pro and anti-Federal Government labels proved to be meaningless when Sabah under the latter became the most determinedly autonomous of all the Malaysian states and Kuala Lumpur eventually had to enlist some of the associates of the former leader to help bring Sabah back into line.

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thousand hard-core members and several thousand supporters and sympathizers" of the Communist Party. However, after invoking the communist threat (which again was to be used to postpone the 1969 Sarawak elections) he went on to explain that the reinstated Prime Minister would not adhere to the principles of democratic government and that the Federal Parliament would therefore be asked "to fill a gap .. in the Constitution of the State of Sarawak." Threats of violence in Sarawak were first reported on September 12, and on the following day the then Acting Prime Minister, Tun Razak, described the situation in Sarawak as "very bad" and was reported to be awaiting further news. See *Straits Times* (Singapore), September 12, p. 1 and September 13, p. 1. The ousted Chief Minister wrote a letter to the *Times* (October 8, 1966) in which he argued that Britain, as a party to the "Agreement Relating to Malaysia," had a responsibility to see that its terms were implemented. One of these terms, he argued, was the "entrenched" nature of the Sarawak Constitution, which, according to the "Agreement," could be amended only by a two-thirds vote of Sarawak's Council Negri. In his view when the Federal Parliament on September 19 amended the Sarawak Constitution (the constitutional amendment passed by both houses and was signed into law in one day) it had acted "contrary to the Agreement solemnly entered into between the Federation of Malaya and Great Britain in respect of Malaysia." (Reprinted in full in Boyce, pp. 22-23). Ningkan may have been on firm legal ground, but nevertheless the Sarawak Constitution was amended, and the amendment remains in force. Ningkan also requested the appointment of a special commission to investigate the nature of the emergency in Sarawak, but Razak dismissed the idea as "a waste of time". (*Straits Times*, September 19, 1966, p. 1.)

Donald Stephens (later Mohammed Fuad)[77] was a businessman and publisher in Jesselton (now Kota Kinabalu) at the time of the Tunku's May 27, 1961 statement on Malaysia. Stephens was the person most responsible for creating one of Sabah's first political parties, the United National Kadazan Organization (UNKO), which later merged with a smaller group to form the United Pasokmomogun Kadazan Organization (UPKO). UNKO chiefly represented the Dusun population of Sabah (the most influential of whom preferred the name Kadazan). Stephens was an early critic, some would describe him as an "opponent," of the Malaysia scheme, though he was later converted to the support of it. However, he continually stressed that he supported Malaysia as it was established under the terms and conditions accepted by Sabah. These conditions, the "twenty points" submitted to the Cobbold Commission charged with assessing the attitudes of Borneans toward the creation of the new federation, became the platform of UPKO and Stephens.[78] In general, these conditions touched almost every sensitive area of Sabah's relations with the Federation, including the special provisions on language, religion, immigration, finance, and natural resources discussed earlier.

Stephen's chief contender for the leadership of Sabah in the early days of Malaysia was Tun Mustapha bin Dato Harun, a largely self-educated Tausog from Sulu in the

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77 Later in his career, after losing out to his major opponent, Stephens converted to Islam and took the name Mohammed Fuad. He later had conferred upon him the title Tun and made the pilgrimage to Mecca. Thus he became Tun Haji Mohammed Fuad. The Mustapha Government reportedly without Fuad's concurrence, announced that he would be known only as Mohammed Fuad, but upon reentering the political arena in 1975 Tun Fuad resumed the use of his Christian family name at the end of his Muslim name. Today he is therefore Tun Haji Mohammed Fuad Stephens. To avoid confusion I shall refer to him throughout this essay as Tun Fuad Stephens, or simply as Stephens, regardless of the period being considered.

78 See n. 34, above. The "twenty points" are reprinted in full in James P. Ongkili, *Modernization in East Malaysia, 1960-1970* (Kuala Lumpur and Singapore: Oxford University Press, 1972), Appendix 1, pp. 102-103.

southern Philippines.[79] Despite the absence of much formal education Mustapha has revealed an innate talent for business and politics. As reactions to the Malaysia scheme began in North Borneo Mustapha organized the United Sabah National Organization (USNO), which brought together the Malay and Muslim native supporters of the federation proposal.

Following the creation of Malaysia on September 16, 1963, and after a complicated series of indirect elections preceding the establishment of the Federation, Tun Mustapha was named by the Yang di-Pertuan Agong of Malaysia and the Queen of England as the first Yang di-Pertua Negara of the constituent state of Sabah.[80] At the same time Stephens, on the advice of the new Legislative Assembly but actually on instructions from Kuala Lumpur, was named the first Chief Minister of the State. Stephens and Mustapha were expected to work together to achieve Native unity, which both of them advocated, and they both claimed to have enjoyed

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79 Mustapha claims to have been born in 1918 in the Sulu Archipelago in Philippine territory though his birthplace is usually reputed to be Kudat. He once served as the houseboy to the British Resident and during the Second World War he escaped to the southern Philippines where he became a guerrilla. He was appointed a Native Chief by the British and eventually served as an appointed member of the Legislative and Executive Councils of North Borneo. He holds the hereditary title of "Dato," the conferred title of Tun, and the Muslim designation of Haji (one who has made the pilgrimage to Mecca). He is now well travelled, and he is reported to have extensive investments abroad, principally in Great Britain. He is also one who enjoys the good life, and some of his extravagancies have come in for sharp criticism. Margaret Clark Roff, *The Politics of Belonging*, pp. 78-79, n. 21, gives a good thumbnail sketch of Mustapha and provides many useful insights into his life throughout her study. She also suggests sources for various interpretations of Mustapha.

80 The Yang di-Pertua Negara is the titular head of state. The head of state (the office is variously titled) is an appointed position in the states without ruling sultanates (Sabah, Sarawak, Penang and Malacca) and is filled according to traditional rules in the Malay states of the Peninsula. The title varies, but the duties of all are mostly ceremonial (except on occasion when some of the Sultans have become interested in politics).

a close friendship.[81] However, each was also an ambitious politician, and there was only one top job available in the state.[82]

The first dispute between the two members of the same government came in June 1964 when USNO demanded that it be permitted to name the next Chief Minister for the recently expanded Assembly, a demand that would have placed Stephens at the mercy of Mustapha and USNO and would probably eventually have cost him his job. In the compromise that followed, significantly negotiated in Kuala Lumpur rather than Kota Kinabalu, Stephens retained his post but Mustapha got increased representation for USNO in the Sabah cabinet. The first crisis faced by the Alliance after the creation of Malaysia was mild and easily resolved, but it portended more serious disputes.

Less than six months later Kuala Lumpur had another Sabah crisis on its hands. Stephens appointed a fellow Kadazan to the recently vacated post of State Secretary, but Mustapha utilized the powers formally granted to him by the Sabah Constitution to withold his approval of the appointment. Stephens insisted that the head-of-state's approval was merely *pro forma* because the Yang di-Pertua

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81 Mustapha and Stephens had once taken a blood oath of permanent friendship, and some claimed that this bond survived their many political confrontations (see Ongkili, *Modernization* ..., p. 66). Perhaps this was true in 1972 but it is hard to believe that it survived the bitter dispute in July and August 1975. The personal attacks at the time were hardly fraternal, and in the course of the dispute Mustapha took the initiative in breaking the engagement between his son and Stephens' daughter. See *Borneo Bulletin* (Kuala Belait), August 2, 1975, p. 1. Mustapha also attempted to deport Stephens' niece in the course of their mid-1975 political battle.

82 Mustapha apparently at first thought that there were two, and it was on this basis that he accepted the position of head-of-state. Margaret Roff provides an excellent insight into his initial and later perceptions of the job: "When the writer first met him, in January 1964, Mustapha was sitting in an enormous room behind an enormous desk with nothing in the way of paper on it. He explained that he had thought his functions as Yang di-Pertua Negara would be the same as those of the departing British Governor (and certainly he had moved into his house and office), and was disappointed and irritated to find it not so." (*The Politics* ..., p. 114, n. 16). A decade later Stephens was to find the same office too lonely and the desk too empty.)

Negara was above politics, but Mustapha was adamant. The dispute was again referred to Kuala Lumpur where the Malaysian Prime Minister, Tunku Abdul Rahman, ruled that Mustapha, unlike the other heads-of-states, had not totally removed himself from the political arena and that he should be consulted in advance on all important decisions.[83] Following this mild but obvious censure Stephens was "promoted" to the Federal Cabinet as Minister of Sabah Affairs.

The first direct elections were scheduled for Sabah in 1967. UPKO and Stephens remained formal members of the Sabah Alliance (together with USNO, the Sabah Chinese Association, and Sabah Indian Congress), but relations between the two major parties (USNO and UPKO) were badly strained. When they failed to agree on a common electoral slate they ended up fighting each other in most constituencies, and when officials from the Kuala Lumpur Alliance arrived in Sabah to assist in the campaigns of the USNO candidates it became very apparent who was in the good graces of the Federal Government and who was not.

In the end neither UPKO nor USNO could claim an unqualified victory. They split the Native vote almost evenly (UPKO, 40.83% versus USNO 40.75%), but USNO took more Assembly seats than did UPKO (14 versus 12). More importantly, in conjunction with its Chinese partner in the Alliance, USNO commanded a majority of seats in the Assembly and was in a position to form a government. Mustapha, who had resigned from his position as head-of-state, was named the new Chief Minister and departed from Kuala Lumpur for consultations. Upon returning he announced his intention to create a small cabinet, "for the time being" without the participation of UPKO. By this time Mustapha was firmly in command of the situation: he had the votes to form a government, he had strong support in Kuala Lumpur, and as Chief Minister he controlled patronage and the granting of Sabah's highly profitable timber concessions.[84] Thus it

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83 This was not the last time that the Tunku was to come to the aid of his friend in Sabah. In fact, he has been a consistently loyal supporter of Mustapha, even after retirement from active politics.

84 The same was not true of Stephens when he was Chief Minister. He was not as strong in the Assembly as was the USNO-dominated Alliance, and most important he lacked the support of the national Alliance in Kuala Lumpur. The latter was really the crucial factor, as Mustapha was to discover some eight years later.

was Mustapha who would dictate the terms by which UPKO would be permitted to return to the Sabah Alliance, from which it had by then formally departed after having been excluded earlier in practice. These conditions were demanding, and they seemed likely to get stricter as some UPKO members succumbed to the temptations offered by the Chief Minister. Each defection further eroded UPKO's bargaining position, and, in Stephens' view the situation demanded drastic action.

On December 10, 1967, Stephens announced that as a gesture to Native unity he was dissolving UPKO and urging its members individually to join USNO, which, Stephens reported, had agreed to accept them.[85] As 1968 began Mustapha thus found himself in the enviable position of leading a Legislative Assembly without an oppositon party, and he was quick to take advantage of the opportunities this presented.

Mustapha came to power as the champion of Malaysia and a critic of the frequent assertions of state autonomy voiced by Stephens, but as Chief Minister he assumed a somewhat different posture. This is not to say that his relations with the Federal Government were not good, at least on the surface and on the public record, for many important persons in Kuala Lumpur admired and respected him for his leadership and accomplishments, particularly in the early years of his rule. However, Mustapha refused to become subservient to the Federal Government, as had happened in Trengganu, Kelantan, and Sarawak. Rather, Mustapha was playing a parallel game with Kuala Lumpur. The fundamental policies of the two were so similar that for years the Federal Government found it best to ignore marked differences in formats and styles and accept the parallel autonomy that Sabah alone was enjoying in the Federation. Sometimes this parallel autonomy brought him into conflict with the Federal Government, and in such disputes

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85 Actually by this time Stephens was employing the language of USNO and the Federal Government in using the term *bumiputra* rather than native. There was later to be considerable debate on the extent of agreement to accept former UPKO members into USNO, and in fact USNO did not hesitate to be selective. Much dissatisfaction about this resurfaced in 1975. For his "unsurpassed demonstration of patriotism" (the Prime Minister's description of Stephens' action, as quoted in Roff, p. 108), Stephens was rewarded by being named High Commissioner (Ambassador) to Australia.

Mustapha almost invariably won, or got the better part of the ensuing compromise.[86]

Given the intolerance Kuala Lumpur has shown for other advocates of state autonomy the Mustapha anomaly showed curious, and it was no doubt inevitable that their patience would be overtaxed. That it remained intact as long as it did can be explained only in the context of the Malaysian politics of the time. First, Mustapha had repeatedly shown himself to be a good Malaysian nationalist at times when the Malaysian Federation had many skeptics and critics. When Stephens and some Sarawak leaders were suggesting the need to "reappraise" the structure of Malaysia in the light of Singapore's withdrawal, Mustapha sided quickly and unhesitatingly with the Federal Government. In speeches and other public appearances Mustapha often went out of his way to declare his support for Malaysia, and, while there was evidence later in his rule that he had ideas for even greater autonomy for Sabah,[87] he generally presented the image of the ardent Malaysian nationalist. Second, Mustapha is a strongly committed Muslim and a firm believer in the desirability of propagating the faith among the non-Muslim people of his state. Although some leaders in Kuala Lumpur may not have been entirely pleased by the uncautious determination with which he pursued this effort, and devout Muslims may object to some of his personal habits, it is nevertheless apparent that these policies did not displease the Alliance leadership.[88] Third, Mustapha has been

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86 Some of these disputes are discussed in the author's "Mustapha's Sabah, 1968-1975: The Tun Steps Down," *Asian Survey*, in press. Briefly, they have involved Sabah's use of the immigration powers granted in the Constitution and discussed earlier, development projects, the purchase of large jets, the creation of an airline, the mobilization of Sabah's Territorial Army, and *de facto*, the creation of a small but well-equipped Sabah navy.

87 Mustapha's alleged desire to secede from Malaysia was a key issue in the 1975 debate.

88 Mustapha created and used public funds to support the United Sabah Islamic Association, the major instrument for carrying out the propagation of Islam. Christian critics have charged that the pressures exerted by the Sabah Government went beyond all reasonable limits and that conversion was a prerequisite to success in almost every area. In his characteristically candid manner Mustapha has not been unwilling to take credit for increasing the percentage of Muslims in Sabah from 38.7 to 53 during his tenure in office. See

unwavering in his support of the National Language, and in replacing the many vernaculars, Chinese, and even English he has moved farther and faster than the Constitution required.[89] Again, total acceptance of Malay is an important pillar of official Alliance policy, and at least one important segment of the national leadership must have been immensely pleased by Mustapha's devotion to the national language. Finally, under Mustapha the Sabah economy boomed, and many persons prospered, particularly among the *bumiputras*. Moreover, Mustapha tapped some of the profits to provide social and educational amenities for Sabahans, and again it was the *bumiputras* who benefited disproportionately.[90] Many of his methods may have been unorthodox, his style must have offended the more conservative economic planners in the capital, and his lack of formal education and training must have proved embarrassing to many, but in the end most had to admit, however reluctantly, that Mustapha was bringing "progress" to Sabah, and this was also an important part of the Alliance strategy for Malaysia. In short, Mustapha may often have asserted Sabah's autonomy from Kuala Lumpur, but his policies were so much in agreement with those of the Federal Government that it was difficult not to accept both him and his policies.

Kinabalu Sabah Times, September 3, 1975, p. 1. The central thesis of Roff's *The Politics of Belonging* is the Malayization (including Islamicization) of East Malaysia, and her arguments would be difficult to refute.

89 Under Mustapha the local Sabah radio and television services dropped all announcements and programming in languages other than Malay and English, just as these languages became the only ones used for announcements at the airports of the state. Theatres had restrictions imposed on them on the showing of films in Chinese, and even the traditional Chinese lion dance was outlawed. These restrictions go considerably beyond federal requirements.

90 The principle vehicle was the Sabah Foundation, which was fathered by Mustapha before he become Chief Minister. For a description of the Foundation and a brief glimpse of its vast wealth and undertakings see *Straits Times*, October 16, 1965, "Focus on Sabah," pp. 4-5. Also see Sabah Foundation, *Sabah and the Sabah Foundation* (Kota Kinabalu: Sabah Foundation, 1974). While the Foundation has already come in for some criticism, and there will probably be much more if Mustapha's years in office are ever subjected to close scrutiny, it nevertheless has accomplished some very useful undertakings in education, medicine, social welfare, etc. Its multimillion-dollar business ventures are more questionable.

Just as it is easy to understand Kuala Lumpur's initial attraction to Mustapha, so one can also appreciate the Federal Government's later disenchantment. First, during Mustapha's tenure as Chief Minister régimes changed in Kuala Lumpur. Tunku Abdul Rahman, the first Prime Minister of Malaysia, was (and remains) a strong supporter of Mustapha. It was he who ruled in favour of Mustapha in the second Sabah Cabinet crisis, and it was he who effected the compromise that eventually opened up the Chief Ministership to Mustapha. It is unlikely that Tun Razak was ever as unqualified in his support of Mustapha as had been the Tunku, in part because this would have been out of character for him, and in part because Mustapha's policies and actions were increasingly creating problems for the late Prime Minister.[91]

Second, although allegations of Sabah's active support of Muslim rebels in the southern Philippines have not been proved by evidence on the public record, Mustapha did not hide his personal feelings. As a Muslim, and as a native of Sulu, Mustapha has strong ties to this troubled area, and he translated these personal sentiments into aid for refugees and a guarantee of admission and employment for all who came to Sabah. Even if his actions went no further than this, and there are many persons who feel certain that his actions went considerably beyond humanitarian assistance, he had to be an embarrassment to Malaysian diplomats in their dealings with Malaysia's ASEAN partner, the Philippines. While President Marcos showed considerable restraint in his criticism of Sabah's attitude, and there are reports that he applied pressures to encourage Kuala Lumpur to restrain

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91 Mustapha has frequently noted his indebtedness to the Tunku. To mark the former Prime Minister's retirement from office Mustapha commissioned and displayed with great fanfare a large statue of the Tunku in Kota Kinabalu. In his long August 11, 1975 speech before the Sabah Legislative Assembly Mustapha thanked him for stating the Mustapha case in several newspapers and described him as his friend, "Bapa Malaysia" (the father of Malaysia - the term frequently used to describe the Tunku in the euphoria that followed the creation of Malaysia, but seldom heard today). *Kinabalu Sabah Times*, August 13, 1975, p. 4.

Mustapha,[92] it would not be easy for any national government to conduct its international affairs in a rational manner while one of its states was formulating and executing its own foreign policy.

Third, Mustapha's weakness for the good life was creating talk all over the world. Not only was it tarnishing Malaysia's international image, but some instances of his behaviour must have been offensive to the more conservative segments of UMNO. Malaysian leaders could control the flow of news in their country, but his exploits abroad were receiving good coverage in the foreign press. "The playboy Prince from Borneo", as one Australian tabloid called him, was not the perfect representative of a modernizing, industrializing, Muslim country.[93]

Fourth, the open bargaining of timber concessions, the frequently rumoured corruption within the State, and Mustapha's entrepreneurial excesses at home and abroad reflected adversely on all Malaysian politicians and tended to tarnish the image of Malaysians among members of the international business community. While few formal allegations of corruption have been made, the popular belief is that it is widespread and costly. In fact, it is possible that this may have been one of the most important factors leading to

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92 It is popularly believed that considerable support for the Muslim rebels comes from Libya via Sabah and into the "back door to the Philippines," as Sulu has commonly been called because of its long history as a smuggling centre. President Marcos has said little about these international indiscretions, but there have been reports that the Foreign Office has applied pressures through third parties to get Kuala Lumpur to exercise more control over Sabah. See *Bangkok Post*, April 8, 1973.

93 Mustapha has not tried to exploit his attractiveness to women, as Sukarno did, but he has also made no attempt to hide his enjoyment of the company of the opposite sex. On the floor of the Assembly he responded to the opposition charge that he had women friends by saying with complete candour that "... all men have women friends at one time or another .... The only difference being that some have women secretly while others do it openly ...." *Kinabalu Sabah Times*, April 13, 1975, p. 11.

the disillusionment of the national leadership with Mustapha's rule.[94]

Finally, Mustapha's insistence on Sabah's autonomy in many spheres of activity simply went against the grain of Malaysian political history. The themes of Malaysian federalism have been integration, assimilation, and centralization, and only on the dimension of assimilation can it be said that Mustapha was fully following the government line. Parallel autonomy may have been parallel, but it was still autonomy, and this was not acceptable to Kuala Lumpur.[95]

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94 One of the early requests made by the opposition after Mustapha got into trouble was for a Royal Commission to investigate Mustapha's handling of public monies. The Malaysian Prime Minister later replied that this would not be necessary since Mustapha had retired because the courts could look into any allegations that might be made. In the meantime Mustapha had probably put his finger on the real obstacle to a full investigation when he told the Assembly, in effect, that whatever he might have done that was later construed to be wrong was done in co-operation with many important figures in and out of the Assembly. See *Kinabalu Sabah Times*, August 13, 1975, pp. 1, 11.

95 There was also the question of Mustapha's desire to secede from Malaysia and create an independent Sabah. Despite the existence of a confidental memo written by Mustapha that proposed the alternative of secession for Sabah, there is doubt among some observers that this was intended as anything more than a discussion of a possible contingency plan. Along the same lines, however, it has been argued that an unconscious drift toward secession, as suggested by Harvey Stockwin in a perceptive analysis in the *Far Eastern Economic Review* (August 8, 1975, pp. 13-14) could not have been ruled out. More than a year before the secession charges were made Peter Lyon, an experienced British observer, put it succinctly to the author when he commented that "if Mustapha keeps marching toward the Rubicon he may find one day that he has to cross it whether he ever intended to or not." On the other hand, in private conversations some sources have claimed that the Federal Government's move against Mustapha was precipitated by the discovery of the secession memo and tentative lists of cabinet and diplomatic appointments for the planned new state. The secession memo is now a matter of the public record; while the author has heard of these lists from some very reliable sources, as yet he has not seen this bit of evidence.

That the Mustapha drama was moving toward a climax was not surprising. The decision to name him as Minister of Defence in September 1974 was commonly regarded as a Federal Government ploy to separate Mustapha from his Sabah base of power, just as his unwillingness to move on Kuala Lumpur's terms suggested that he understood the implications of their offer.[96] On July 15, 1975, while Mustapha was abroad, which was not unusual for the parapatetic Chief Minister, Datuk Harris Salleh announced the creation of Sabah's first opposition party since Stephens had dissolved UPKO some eight years earlier. The Bersatu Rakyat Jelata Sabah (Union of the Common People of Sabah), or Berjaya ("Succeed") as it came to be known, stood opposed to the autocratic rule of Mustapha, as it was described, but supportive of the policies and programmes of the National Front in Kuala Lumpur. It thus sought to be in opposition at the state level but on the government side of the House in Kuala Lumpur. Mustapha hurried back to Sabah from London in a state-owned jet, but en route he detoured by way of Penang where he met the Tunku, Ghazali Shafie, and several USNO associates who had flown in on the state's other executive jet. On the following day (July 18) Mustapha returned to a hurriedly arranged welcome at Kota Kinabalu and immediately set in to assess the damage and begin repairs.

The daily press releases by Berjaya and the frequent speeches of its officials claimed that "mass defections" from USNO were taking place, and at one time the party reported that it could no longer estimate the size of the organization because their supply of applications had been exhausted by the rush. On July 27 Tun Fuad Stephens stepped down as Yang di-Pertua Negara to assume the presidency of Berjaya, but despite this psychological boost the optimistic predictions of Berjaya officials failed to materialize.

When the showdown meeting of the Legislative Assembly took place on August 11 Berjaya could only harass USNO and the Sabah Alliance; it could not seriously threaten their control of the machinery of government. Berjaya could claim only 5 members of the Assembly, and the vote of

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96 Mustapha was to charge after his retirement that he was willing to accept the Defence post but was blocked by Harris Salleh, Salleh Sulung and Peter Mojuntin, three principal figures now leading the opposition party. See *Suara Rakyat* (Kuala Lumpur), November 1, 1975, p. 24.

confidence on the Chief Minister passed 30-5 with 3 absences; a motion to reaffirm Sabah's intention to remain in Malaysia passed 31-0 with 5 Berjaya abstentions and 2 absences; and a surprise censure of the recently retired Yang di-Pertua Negara for becoming involved in politics (and thereby "depraving the dignity of the office") passed on a voice vote.[97] For the moment it appeared that Mustapha had again outwitted his opposition and possibly Kuala Lumpur, but this proved not to be the final act.

On September 3, while addressing an USNO delegates conference, Tun Mustapha announced his intention to resign from the Chief Ministership effective on October 31, 1975. The following day the Legislative Assembly accepted his resignation and passed a special bill providing generously for Mustapha in retirement. On September 5 the late Prime Minister Razak wished Mustapha "long life and happiness in his well-earned retirement" and described his decision as one that was made "after taking into full consideration the interests of the State and Malaysia."

Mustapha had earlier referred to two persons from Kuala Lumpur and one from Kuching who had tried to "stab me in the back," and the Deputy Chief Minister, in moving Mustapha's retirement bill, spoke of the Chief Minister's having been "stripped and humiliated by ... greedy opportunists."[98] Despite these explanations it is apparent that Mustapha's decline and fall must be attributed to far more than a conspiracy among a small group of political opportunists. It is doubtful that any group of plotters, however clever

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97 *Borneo Bulletin*, August 16, 1975, pp. 1, 36; *Kinabalu Sabah Times*, August 12, 1975, pp. 1, 2, 5, 8, 12. Part of Mustapha's success may be attributed to his sending sixteen assemblymen on an expense-paid trip of neighbouring Southeast Asian countries on a Sabah Air jet. The travellers returned only in time to go directly to the Assembly meeting to vote on the confidence motion. Berjaya complained that they had not had the opportunity to consult with the absent assemblymen. See *Daily Express*, August 16, 1975, p. 12. It is difficult to believe, however, that this alone spelled the difference between success and failure in the Berjaya attempt to topple Mustapha.

98 On the Mustapha charge see *Borneo Bulletin*, August 16, 1975, p. 1. On the statement of the Deputy Chief Minister, see *Kinabalu Sabah Times*, September 5, 1975, p. 2.

and powerful, could at this time have forced Mustapha's retirement without the support and encouragement of the Federal Government. Admittedly the hard evidence is not available, and it may never be, but circumstantial evidence, unofficial comments, and various news reports suggest that the Federal Government played a key role in bringing down Mustapha.[99]

First, there were numerous hints that the Berjaya leadership thought the Federal Government was supportive, and it had no reason to think that Mustapha was to be abandoned unless it had received some unmistakable signals to this effect. Second, at least two respected journalists, on the basis of information provided by unnamed informants, have asserted that Kuala Lumpur made a conscious decision to unseat Mustapha and so warned him in advance.[100] Third, it is impossible to read the accounts of USNO's differences with the Barisan Nasional between late July and mid-August without getting the impression that "a technicality," as Mustapha and the Tunku described the problem, was being exploited for political leverage on the part of the national leadership.[101] Finally, in a country with a docile and

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99 I have tried to collect and assess some of this evidence in more detail in "Mustapha's Sabah ...."

100 Harvey Stockwin writing in the *Far Eastern Economic Review*, August 22, 1975, p. 14, and Patrice de Beer, writing in *The Guardian*, (weekly edition), September 20, 1975, p. 12.

101 The situation was complicated, but briefly it involved the question of the Sabah Alliance's membership in the Barisan Nasional. USNO had objected to some amendments to the Barisan Constitution that were accepted by the other members. The Barisan proposed some changes, but USNO (through the Sabah Alliance) delayed its response until after Mustapha was under pressure from Berjaya. The Secretary-General of the Barisan went out of his way on several occasions to demonstrate that the Sabah Alliance had thereby withdrawn from the National Front, while the Alliance leaders were referring to the problem as a mere technicality. Eventually Razak himself reported that the Executive Council of the Barisan had decided to regard the Sabah Alliance's acceptance of the proposed constitutional changes as an application for membership in the Front, which would be acted upon later. It is interesting that Berjaya's request for membership in the Front was treated in much the same way but with the hint that they were closer to being admitted at the time than was the Alliance. See my "Mustapha's Sabah ...."

never adventuresome press the sudden upsurge in political reporting between July 15 and early September is well worth noting. Of almost equal importance is the nature of the reporting. While the *New Straits Times* was almost perfectly impartial, the remarkable fact that an opposition party received full and impartial treatment as it launched an attack on an established and accepted government cannot be accidental. And, to add to the circumstantial evidence, the accounts appearing in the Malaysian press were frequently prepared and distributed by Bernama, the official press agency.

There are good reasons to believe that the Federal Government hopes that Sabah after Mustapha will settle into the Malaysian fold much as did Sarawak after the fall of Ningkan. The ministerial-level intergovernmental committee charged in 1973 with the task of more fully integrating Sabah and Sarawak into Malaysia has at last started to meet and make recommendations, the first of which has been reported to involve further integration of the police and civil service with increased transfers "to promote a national outlook."[102] However, if Sabah will in fact follow the path of Sarawak is not certain at this time. At least several caveats must be voiced before concluding that the Federal Government achieved its ultimate goal of total unification with the retirement of Mustapha.

First, one must ask how "retired" Mustapha may actually be, both at the present time and in the future. At 57 he is still relatively young, and the recent events have demonstrated that he has lost none of his youthful energy. Even in "retirement" he has retained the leadership of three powerful Sabah institutions: USNO, USIA, and the Sabah Foundation. The new Chief Minister, Tan Sri Mohammed bin Keruak, was Mustapha's Deputy Chief Minister and his personal choice for the top position. It was Tan Sri Mohammed who moved the bill on the Assembly floor that gave Mustapha his retirement benefits, and in the course of the debate he heaped lavish praise on the "Father of Sabah" and lashed out at the "greedy opportunists" who had forced him into premature retirement. Mustapha's best-known protégé, Datuk Syed Kechik bin Syed Mohamed, the Director of the Sabah Foundation, among numerous other appointments he holds, remains one of the most powerful men in Sabah, and there is no indication that he has shed any

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102 *New Straits Times*, December 5, 1975, pp. 1, 24.

of his old loyalty toward his benefactor.[103] Mustapha himself has released conflicting statements about the extent to which he has retired from active political involvement,[104] but his involvement in the December elections in Labuan and Kota Kinabatangan and his most recent campaigning in the Sabah general elections all suggest that he has not cut himself off from the Sabah political scene.[105]

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103 According to the official story Datuk Syed Kechik, a Kedah laywer who studied political science at UCLA, was handpicked by Tunku Abdul Rahman to go to Sabah as Mustapha's advisor when the Tun decided to step down from the position of Yang di-Pertua Negara to reenter the political arena on a full-time basis. Syed Kechik has since served in many capacities, and there are many in and out of Sabah who have described him as the "hidden Chief Minister". On his appointment, see *Sabah Foundation, Sabah and the Sabah Foundation*, pp. 69-90. For some critical observations on the "Hidden Chief Minister," see *Straits Times*, August 24, 1975.

104 Bernama and *New Straits Times* reports notwithstanding, Mustapha apparently left Sabah on October 27 rather than wait until the end of his term on October 31. In a quiet departure scene he told a *Borneo Bulletin* reporter that he looked forward to a long rest in England where he wanted to rejoin his family, that he intended to play golf frequently, and that he would "return to Sabah occasionally." (November 1, 1975, p. 1.) He actually flew directly to Kuala Lumpur where he spent three days with the Sultan of Selangor. The only report on his visit was carried in the Malay-language weekly reportedly owned by Mustapha and the Mentri Besar of Selangor. In a remarkable one-hour interview with the *Suara Rakyat* reporter, Mustapha is reported to have said that he would retire from politics immediately "if the circumstances are favourable" but if necessary he would probably "make a sacrifice." (November 1, 1975, p. 1.) Apparently the circumstances were not favourable because one month later he quietly resurfaced in Sabah, campaigning for the USNO candidates in the two special elections.

105 These special elections are themselves interesting for they may provide some insight into present-day federal thinking about the oppositionist Berjaya. According to Berjaya officials all successful USNO candidates had to submit undated letters of resignation to Mustapha before they took their seats. When the five Assemblymen defected to Berjaya from USNO they wrote letters disavowing these letters of resignation, but their original letters remained on file nevertheless. In November USNO dated two of these (including the letter of the Vice-President of Berjaya) and submitted them to the Federal Elections Commission, which, despite protests from Berjaya,

Second, the resolution recommitting Sabah to the Federation of Malaysia, which was passed in the showdown meeting of the Legislative Assembly on August 11, may contain more than what initially meets the eye. The opening statement, paragraph (a) states that

> It will be the responsibility of the Federal Government to guarantee the stability of Sabah in Malaysia within the context of the sovereignty and autonomy presently enjoyed by Sabah.[106]

The phrase "within the context of the sovereignty and autonomy presently enjoyed by Sabah" is too striking to be coincidental. The Federal Government's tolerance for Sabah's asserted autonomy was viewed by most as a temporary strategy for coping with an existing strongman, not as something accepted, institutionalized, and permanent. Thus, if the phrasing were not intended merely to bolster a retiring man's pride (which has never needed outside support in the past), it seems possible that the Sabah Legislative Assembly approved a platform for future resistance to federal encroachment at the same time that it reaffirmed its ties to the Federation. Of course, in practical terms, if it can enforce this autonomy without the active involvement of the former Chief Minister is another matter, and the nature of Mustapha's retirement and his apparent reentry into open politics following Razak's death therefore becomes doubly important.

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promptly ruled that vacancies existed in the two constituencies. Tun Fuad Stephens threatened to go to court, but apparently had second thoughts and proceeded to organize the two campaigns. USNO's position was to ignore the question of the legality of their action and concentrate on the original assertions by Berjaya's leaders that they were prepared to go to the polls at any time. See *Suara Rakyat*, November 22, 1975, p. 24. Several Berjaya officials in December did not see this as a federal-government "betrayal" however. Rather, they felt that the leadership of the Front would be willing to see Berjaya and USNO fight it out at the polls as a means of resolving their conflicting claims to popular support.

106 *Kinabalu Sabah Times*, August 13, 1975, p. 1.

4: MALAYSIAN FEDERALISM: RETROSPECTIVE AND PROSPECTIVE

All Malayan and Malaysian federations (1948, 1957, and 1963) have had central governments that were far stronger than those of the constituent units. Moreover, in each federal system the tendency has been for the centre, over time, to strengthen its position at the expense of the peripheral units. Although it was expressed in other terms and the political setting was different, this was even the essence of the debate over decentralization in the preindependence Federated Malay States, and here too the outcome was similar. The proponents of centralization have generally been more articulate, more nationally oriented, and generally more effective than their opponents. While some of these went beyond the limits of the acceptable in the Malayan Union Proposal, the central government of the succeeding Federation of Malaya retained many of the features of the Union in the area of federal-state relations. The philosophies of most of the colonial and national leaders have been supportive of the concept of centralization of power, and the accidents of history have contributed significantly to this centripedal process.

The antiguerrilla war fought in Malaya in the period almost immediately following the Second World War was not confined to one geographic area of the Peninsula. It was a national challenge extending from Johore in the far south to the Thai border in the extreme north. If the combined antiinsurgency efforts of Malaya, Britain, and other members of the Commonwealth were to be effective, their organization had to be even more "national" in scope than that of the rebels, and the result was a strengthening of central government controls at the expense of state autonomy.

When Malaya received its independence in 1957 the colonial federation had existed under national emergency regulations for nine years, and the independent Federation of Malaya had to continue under much the same kind of restrictions for three more years. As the security situation in the countryside improved the inconveniences caused by the Emergency became decreasingly burdensome on the population, and by 1960, the official end of the insurgency, most areas of the country were little affected. Nevertheless, the thinking of Federal Government officials had obviously been affected by this period of increased and often discretionary grants of authority, and the centre had grown accustomed to its supremacy, which was not always actual, but which

always existed as a potential. It is not surprising that Federal officials were reluctant to lose the powers they had accrued over the twelve-year period, and thus many of these were permanently enshrined in the Constitution in the October 1960 amendments.

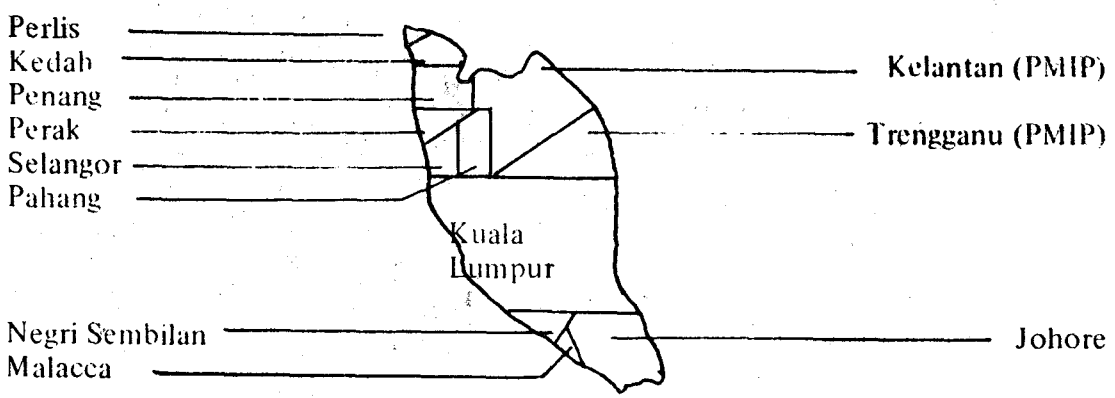
When the security situation again worsened in the early and mid-1970s, these and other originally "temporary" measures were again invoked, expanded, and written into permanent laws in the Constitution or by statutory enactment. For the last quarter-century politicians and administrators alike have been forced to think about security in national terms, and out of these developing patterns of thought and habits have come policies and practices that have emphasized centralization over decentralization.

Another historical incident that contributed greatly to centralization was the May 13, 1969 racial rioting in Kuala Lumpur and the resulting hiatus in the course of constitutional government. During the period of rule by the National Operations Council (May 15, 1969 - February 20, 1971) there were no legal pretences made about sharing ultimate political authority between the Federal Government and the states. In most of Malaysia life went on much as before, and even the situation in Kuala Lumpur returned to near normal in a surprisingly brief time, but for some twenty months Malaysia did not claim to be a federal system except in name. Again, at the end of the emergency some of the "temporary" provisions that granted additional powers to the central government were made a permanent part of the Constitution. Again the theme was repeated: temporary centralizing powers enunciated to meet an immediate problem became part of the permanent corpus of laws of the Federation once the situation returned to normal. Probably as important, the centralizing habits of politicians and bureaucrats were again reinforced and enlarged by this period of unequivocal centralization.

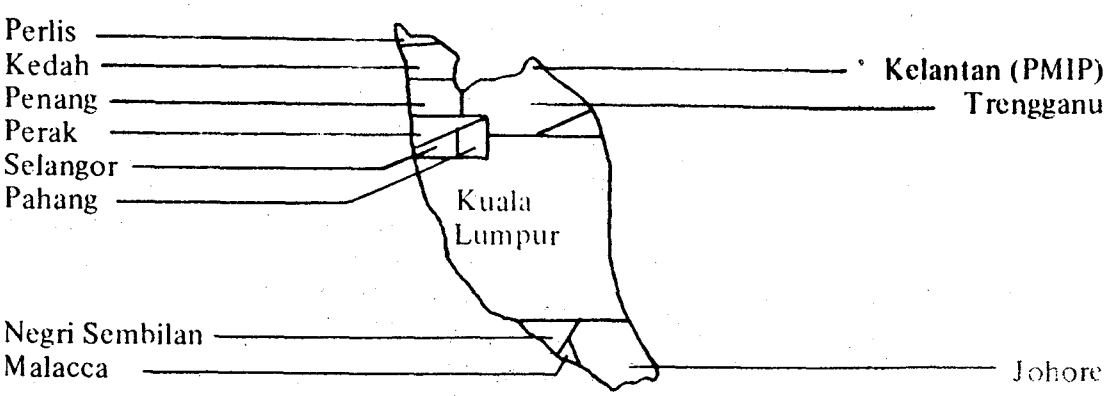
The schematic maps on the following pages are intended to suggest (and only to suggest since it is virtually impossible to quantify "autonomy") the course of federal-state relations in Malaya and Malaysia between 1957 and 1975. Malaya was born with a strong central government (labelled Kuala Lumpur on these maps), but the two states of Kelantan and Trengganu under oppositionist PMIP rule demanded the full measure of autonomy possible, even though this was limited. On the eve of the creation of Malaysia, Trengganu was in the Alliance camp, and in Kelantan the PMIP,

Malaya:
State Borders Adjusted to Reflect
Relative Power of Centre and Periphery

1957

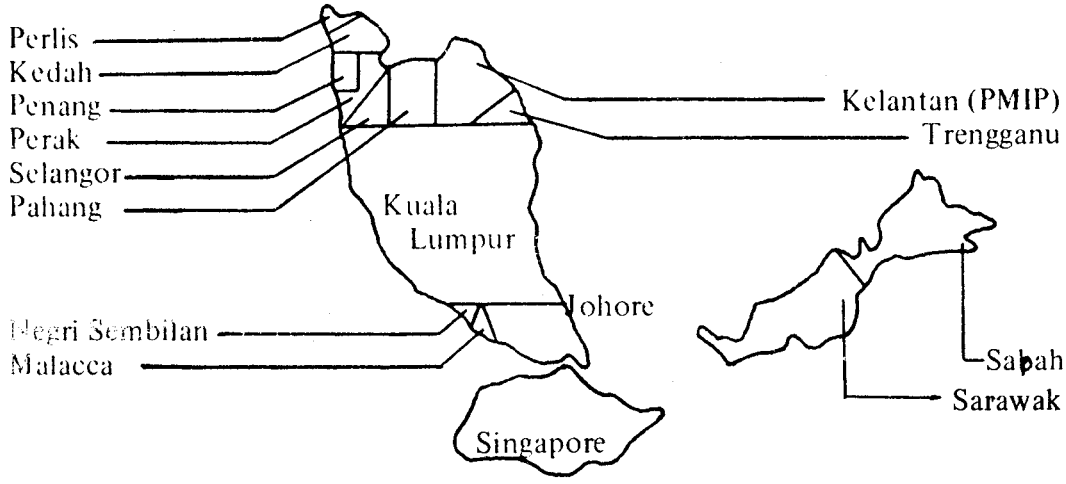


August 1963

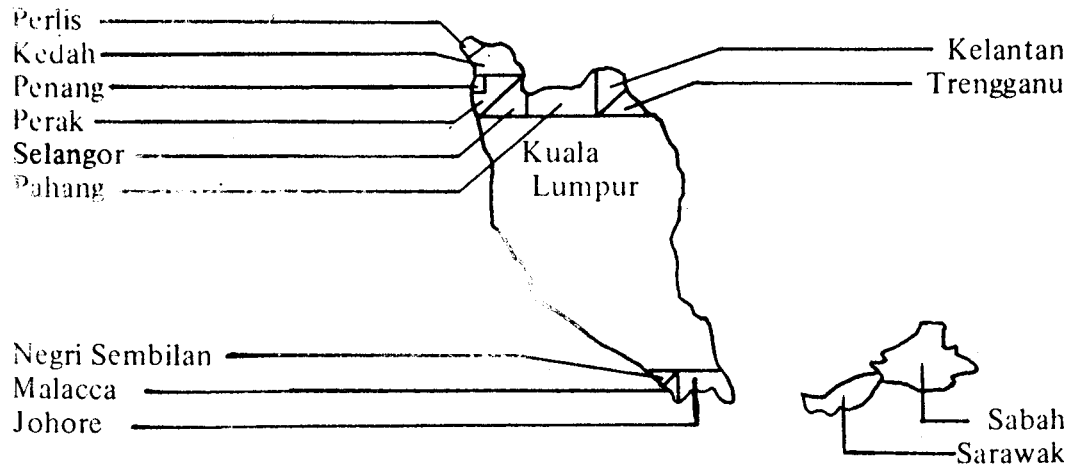


Malaysia:
State Borders Adjusted to Reflect
Relative Power of Centre and Periphery

16 September 1963

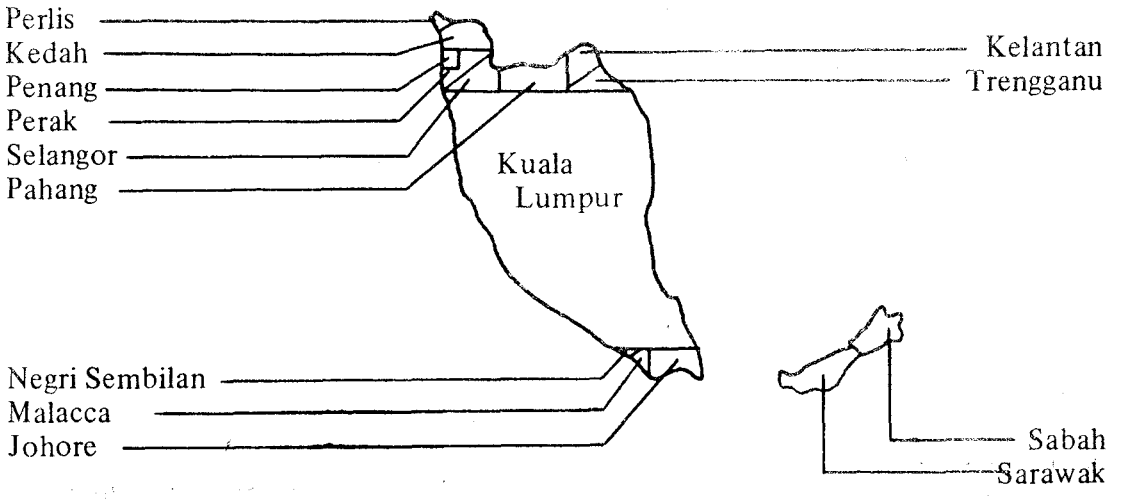


1974



Malaysia:
State Borders Adjusted to Reflect
Relative Power of Centre and Periphery

November 1975



still in power, was moving toward a temporary truce with the Federal Government that would be effected following the 1964 elections. When Malaysia was created on September 16, 1963, politics had significantly reduced the levels of autonomy of most of the states of the Peninsula (Penang has always been a hotbed of oppositionist politics and periodically it has asserted its independence from Kuala Lumpur, but it has not been able to sustain any prolonged oppositionist drive), but the new states of Malaysia came in under a different set of rules. Singapore enjoyed considerable autonomy, as did Sabah and Sarawak, though individually and collectively their potential for even greater autonomy was less than that of Singapore. By 1972, with the withdrawal of Singapore from the Federation in 1965, the removal of Ningkan in Kuching in 1966, and the centralizing effects of the NOC period, only Sabah remained disproportionately autonomous within the Federation. By the end of 1975, with the at least temporary retirement of Mustapha as Chief Minister in October 1975, Kuala Lumpur seemed to have gained almost total control of the entire federal system.

Malaysian continues to exist as a federation, but purists are often tempted to regard federalism as a failure. It is certainly true that the originally powerful centre, through a long series of usually intentional but sometimes accidental accretions of additional power, is now in a position to overwhelm any constituent unit when necessary. In theory each level of government continues to be sovereign only in its own sphere, but in fact the state spheres have contracted significantly. At present, if adequately provoked, the Federal Government has the legal authority and political power to encroach on the sovereignty of the states swiftly and almost at will. Moreover, it has already proved not reluctant to use such authority and power, even when the legal basis for such encroachments was less sweeping then it is at the present time. Thus, there is some validity to the argument that federalism as a process has failed in Malaysia in the sense that the federal bargain did not freeze centrifugal-centripedal relations as they existed at the time the bargain was struck. This conclusion, however, does not do justice to the larger role played by the federal idea in the political integration of Malaya and Malaysia.

Would the union of the several states that came together to create Malaysia in 1948 have been possible except within the framework of a federation? The experience of the aborted Malayan Union scheme suggests that the answer to this question is clearly negative. There were too many Malays

who felt an allegiance to their Malay Rulers and an affinity for the territory each symbolized to permit the destruction of the states as identifiable units. A powerful centre in a federation of existing states was one matter; an unitary system without constituent political units was quite another.

Could Malaysia have been created in 1963 except as a federation? The duration and complexity of the bargaining that went into Malaysia's creation, and the intricate constitutional document that eventually emerged, clearly indicate that this answer too must be in the negative. Singapore, Sabah, and Sarawak, as well as the British and Malayan Governments, each had its own goals, ambitions, problems, strengths, weaknesses, and peculiarities of style. At the time there would have been little, if any, hope for an agreement on the association of these diverse entities except in a grouping that to some degree was federal in structure and philosophy. If one accepts that the Malayan and Malaysian political creations were desirable, then federalism has to be viewed as successful in the sense that it accomplished what no other form of union could have done.

Union may have been achieved through federalism, but there have nevertheless been few champions of regional political autonomy on the national political scene. Most political leaders seemed to feel the need of a strong central government, and they have not been reluctant to use the many levers available to them to increase the flow of power from the units to the centre. One may disagree with the thinking, but if their philosophy of government is accepted it is apparent that federalism has proved to be an effective mechanism for making the transition from highly fragmented and sometimes isolated political units to a single national political and administrative system.

Whether the Malaysian political system can remain as unified and centralized as it is at the present time is another question. Territorial fissures seem unlikely in the peninsula (though of course one can never ignore the possibility of social disruptions concentrated in identifiable geographic areas), but the future of relations between East and West Malaysia seems more in doubt. First, there is the complicating factor of geography. The fatality rate among federations without geographically contiguous units is high, particularly in cases where there is no large and overwhelming mainland core creating a magnetic field that holds the smaller peripheral units in check. While the Malayan Peninsula might constitute such a magnet, it is questionable that its

attraction is adequate to span the expanse of the South China Sea if strong feelings of autonomy develop in Borneo.

Second, and related to this, is the strength of the desire for autonomy in Sabah and Sarawak. If there were little interest in greater independence, relations between East and West Malaysia would not be in jeopardy. However, it seems at least within the realm of possibility that Ningkan in Sarawak and Mustapha in Sabah represented something more important than mere isolated phenomena, something larger and more significant than ambitious politicians seeking to maximize their own political fortunes at the expense of the central government. Perhaps these two political leaders might better be regarded as the products of their historical and social environments, as the visible manifestations of a self-reliant and independent spirit that is more often felt than seen in the peoples of Borneo. It seems likely that the leaders of Peninsular Malaysia have never thoroughly grasped, understood, or appreciated this spirit, just as they have been unable to accept the real differences, at least perceived if not real, between the peoples of East and West Malaysia. The Federal Government seems to have forgotten, or perhaps it never accepted, that the peoples of Borneo entered into the Malaysia scheme with certain reservations and conditions, and that in almost every case these were related to a desire to express their political, social, and economic goals within the familiar idioms of their own lives.

The hard evidence on the public record is lacking, but in my view this spirit of independence and autonomy is still very much alive in Sabah and Sarawak. Again in my personal view, by depriving the peoples of East Malaysia of the opportunity of giving expression to their own uniqueness the Federal Government may have charted a collision course with Sabah and Sarawak. If so, there will be some difficult times ahead for the Federation of Malaysia, as the federation exists today. On the other hand, such a collision is not inevitable. The framework and philosophy already exist that could permit Borneans to enjoy their uniqueness while preserving the viability of Malaysia as an integrated political unit. Federalism, as a process, may appear moribund in contemporary Malaysia, but it may yet prove useful if national political leaders have the courage to exploit its potential.

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