

THE GREAT RESET

100 DAYS OF MALAYSIA'S TRIPLE CRISIS

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LIEW CHIN TONG



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**"For Malaysians who created the GE14 miracle.
Let's build the next wave together."**



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the stories told in this book. Attribution for other photos goes to the Ministry of Defence whose documentation of my time as Deputy Minister I treasure and hope to feature in a future project.

The MCO period proved unconventionally challenging on multiple fronts. As National Political Education Director and Chairman of Johor DAP (Democratic Action Party), the ban on interstate travel and my subsequent decision to remain closer to Headquarters in the Kuala Lumpur/Selangor area given the political situation that was unfolding meant that it was uncertain as to when I would be physically back in Johor for state coalition, party, and community engagements - a trip I had made every other weekend.

I thank my political secretary Alan Tee for being a key enabler on the ground and ensuring the continuity of service within the state constituency and community during this difficult time.

The great reset for Malaysia envisions a clean government, a dynamic economy, good jobs and robust social protection for the most vulnerable in our communities - a Malaysia that we all feel part of and are proud of.

This gives me hope for the future.

Liew Chin Tong

ABOUT THE BOOK

The year 2020 was presumably a grand milestone for Malaysia. ‘Vision 2020’, mooted by Prime Minister Dr Mahathir Mohamad in 1991 was a Malaysian ideal to reach its developed nation goal. Many Malaysians grew up in the past 30 years dreaming of living in a futuristic world; a united society of ‘Bangsa Malaysia’ with a sense of common and shared destiny.

Instead, the nation was hit with a triple threat - a political crisis, a public health crisis and an economic crisis. Each developed on a separate track, but at a certain point in late February 2020, intersected, and in the months that followed exposed fault lines in the political, public health and economic system.

Indeed, with every complication or crisis, emerges opportunities for an alteration in the status quo. In the revelation of inherent vulnerabilities in our systems, comes the call for a Great Reset.

The period of ‘100 Days’ from 1st March to 9th June 2020 is significant for marking the change in political landscape with the beginning of the Perikatan Nasional Government and the swearing-in of the 8th Prime Minister of Malaysia on 1st March, and the critical 99 days that followed.

During this time, a Movement Control Order (MCO) began on 18th March restricting travel, congregation and economic activity to mitigate the spread of coronavirus (COVID-19). Following this on 10th June - the 101st day,

Malaysia transitioned from the conditional into a recovery phase of the MCO.

Reflecting on this pivotal period of the country, two reasons drove this compilation. The first, growing material from articles by the author on the unfolding crises - driven by intention to put to writing a clear framing of issues and construct a better Malaysian narrative in a critical vacuum of ideas that was fast expanding; and a realisation of the significance of this unprecedented period for Malaysia. It would be a fleeting moment in memory, but its impact to last decades, perhaps generations. This spurred the idea to document this turning point in Malaysia's story.

Secondly, this book intends to present the contextual interpretations and reasonings as to why the ideas and calls for caution within the articles were mooted at a particular point. In some instances, there were ideas put forth that were ahead of its time. There were ideas that the government later adopted in its articulation and implementation, and early calls for caution which later became reality. Of paramount importance is an understanding of current realities for comprehending our time ahead as a nation.

The structuring of this book into three sections detailing the three crises is intended to enable deeper dives into the chronological development and context to which each article was written, and its impact explained. This book, as a collection of written articles captures nuances of the uncertainty that prevailed the nation in an unprecedented time.

It is a reminder for the society that journeyed through these 100 days, and a reference for generations to come.

There are lessons learned for Malaysia to be better prepared for similar crises should it arise in the future, and a silver lining of an opportunity to address structural issues that exist.

To reiterate a message by Chin Tong in his previous book *Middle Malaysia* (2013) that is still relevant today - multi-ethnic, multi-religious Malaysians want the same things: good jobs and must proactively seek to determine what we want for ourselves, our society, or state and our nation and not live the life which would be determined for us, but the life we would want to make. This holds true, much so today.

Ithrana Lawrence & Raja Ahmad Iskandar Fareez
Kuala Lumpur
4th July 2020



Photograph by Radzi Razak of a Ministry of Health officer carrying an elderly lady on his back to a COVID-19 testing center in May 2020, during the fasting month of Ramadan.

THE GREAT RESET: A PROGRESSIVE'S AGENDA FOR MALAYSIA



Since 2017, after having fully recuperated from Bell's palsy in 2016, I had been on the fast lane of frontline politics which led up to the 2018 election and which subsequently saw me having a role in the Pakatan Harapan government. But in 2020, everything came to a halt—both due to the fall of the government and to the COVID-19 lockdown.

Malaysia has been mostly under COVID-19 lockdown in the 100 days since Tan Sri Muhyiddin Yassin was sworn in, on 1st March following the Sheraton coup.

From 18th March when the Movement Control Order (MCO) was imposed until parliament's royal opening on 18th May, I had a rare and quiet two-month period to read, write and re-learn cooking while attending some online meetings and webinars in between.

“The Great Reset: 100 Days of Malaysia's Triple Crisis” collects all the 30 articles I wrote during the most prolific period thus far of my life. The ‘100 Days’ span across 1st March to 9th June 2020.

The 30 articles consist of: 28 articles (first article published on 3rd March), the 29th article (on 10th June reflecting the past and upcoming ‘100 Days’) and 30th article being the one published with this book as the “Introduction”.

It provides a backgrounder for Malaysians to comprehend three crises – COVID-19/public health, economics and political – that will shape Malaysia and the world for years to come. It is hoped that this can serve as an agenda for progressives.

‘War’ on COVID-19

The ‘war’ on COVID-19 in Malaysia by the health personnel was reasonably successful, although I wish that the government had taken a much more ‘whole-of-government’ and ‘whole-of-society’ approach instead. For instance, I was hoping that prison authorities would take this opportunity to deal with overcrowding in a bold manner. This did not happen.

The joint patrol undertaken by the police and the Malaysian Armed Forces won kudos from the public. I was hoping that the Armed Forces would be tasked to complete a wider range of duties and to utilise its full range of capabilities, beyond just patrolling.

I was also hoping that there would be a serious effort made to build up ‘war-time’ production for medical devices and supplies not just for Malaysians but for the bottom billion of the world’s population. They did not happen, and were some of the opportunities we let slip during the height of the COVID-19 crisis.

Economic Crisis

COVID-19 will force the world to reset from neo-liberal economic ideas which had reigned in the past 40 years. Nations can no longer chase growth without looking at inequality, health care provision, social safety net, and sustainability.

The roles of the State will have to be seriously re-examined. For one thing, the State will be required to ensure that profits are pursued without hurting social goods and the climate. As pointed out by economist Mariana Mazzucato, to navigate and survive the current and future crises, the State needs clearly specified missions and it needs to pursue them without having them co-opted by vested interests.

The Malaysian economy has been heavily dependent on a 50-year old model, put in place in the early 1970s. At its core lies the assumption that most of the goods we produced would eventually be exported to the United States (US), and, to a lesser extent, developed nations in Europe. In order to compete in this race to export, wages had to be competitive (read: low) and at the point when that seemed no longer possible, millions of unskilled foreign workers were brought in to drive down labour costs.

Many Malaysians soon found that jobs in Malaysia did not pay well and have preferred to work as low-end workers in Singapore and other countries instead. Many chose to hold more than one job and some have ditched the formal sector jobs for 'gig' work in the informal sectors.

Youth unemployment has been persistently high, even before the COVID-19 crisis. We can expect them to demand that the Malaysian State create jobs or at least provide social safety nets for them.

In the United States and other developed nations, the global public health crisis is painfully revealing social cleavages. Even if Malaysia is keen to export to the US, where as many as 40 million people are registered as unemployed

and millions more are underemployed and underpaid, Malaysia's consumer goods will not find a market there.

The outsourcing model that Malaysia had relied on since the late 1960s, built on the US and other global corporations producing goods in multiple developing countries and exporting them home as finished products with the help of a long supply chain, will in all likelihood now be replaced by shorter supply chains and some 're-shoring' in the interest of resilience.

The need for these corporations to create manufacturing jobs in the United States and Europe, as well as the US-China trade war, will further fuel such changes.

Since the formation of Petronas in 1974 saw Malaysia becoming an important oil and gas producer, the Malaysian state coffer has been heavily dependent on petrol dollars.

The extremely low oil prices in the past few months and the move towards electronic vehicles and other more sustainable ways of transport and lifestyle will mean that the Malaysian state can no longer depend on oil money as much as it used to in order to fund its expenditure.

The Malaysian economy and the economies of the world will not rise out of the crisis looking the same. Business as usual will not work.

Progressive forces in the world will need to do some bold thinking and to come up with imaginative solutions to move forward. The State must do more to save jobs, save lives and save livelihoods.

Political Crisis

The political crisis caused by the Sheraton coup should be seen as part and parcel of a very painful and long democratisation process. The coup was in fact the form that the expected push back by conservative forces took, against the people's democratic uprising that took place at the election box on 9th May 2018.

Malaysia had been a one-party state where people could not imagine change, and in fact fear it—up until the 2008 election that saw Barisan Nasional losing the two-thirds majority for the first time and falling in the most industrial states, such as Selangor and Penang.

The 2018 General Election witnessed Malaysians of all ethnic and religious backgrounds coming together in a huge turnout on election day to rise against the one-party state that attempted to win by setting a Wednesday polling day (to reduce turnout), changing election boundaries (to favour the ruling coalition), and attempting to use the Election Commission to ban even the photo of Tun Dr Mahathir Mohamad; not to mention interventions in the mass media, etc.

Upon losing, the conservatives regrouped and attacked the Pakatan government on ethnic fronts—claiming to the Malays that the government had been hijacked by DAP (Democratic Action Party) and the non-Malays and suggesting to the non-Malays that Tun Dr Mahathir controlled everything to the detriment of the non-Malays.

The year 2020 has been symbolic for Malaysia as it was intended to achieve 'Vision 2020' – a developmental goal set forth in 1991.

Instead, it was hit with a political crisis and a change of government, the outbreak of coronavirus (COVID-19) and a public health crisis, and an economic crisis which ensued.

This work is a documentation of events and policy recommendations for the 100 days following the installation of a new government in March 2020, the mitigative efforts to contain the spread of COVID-19 and the lasting economic impact on the nation.

In this book, **Liew Chin Tong** contextualizes the collapse of the Pakatan Harapan coalition and the new government's political consolidation. He also details insights on the administration of Malaysia's Movement Control Order, elaborating on institutional reforms and social and industrial policies he continues to advocate.

'**The Great Reset**' is a response to an unprecedented period for Malaysia in an opportunity to correct structural issues exposed by the crises. The policy recommendations are unique to Malaysia in the mid- to long-term, but replicable at its basic tenet to any country in recovery from the global COVID-19 pandemic.

Liew Chin Tong was the Deputy Defence Minister from 17 July 2018 to 24 February 2020. He is a Senator in Dewan Negara.

He was first elected Member of Parliament for Bukit Bendera (2008-2013), and was subsequently the Member of Parliament for Kluang (2013-2018).

Since 1999, Chin Tong has served DAP in various capacities and is now a Member of its Central Executive Committee, serving as the National Political Education Director.

Chin Tong graduated with a degree in Political Science and an honours degree in Asian Studies from the Australian National University, and holds an International Masters in Regional Integration from the Asia-Europe Institute, University of Malaya.

Chin Tong is the Chairman of Research for Social Advancement (REFSA) since 2012 and was the Executive Director of Penang Institute (previously Socio-Economic and Environmental Research Institute, SERI, from 2009-2012). He was also formerly a Visiting Research Fellow at the Institute of Southeast Asian Studies (ISEAS), Singapore.

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