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# Democracy and Transition in Malaysia: An Analysis of the Problems of Political Succession

Khoo Boo Teik  
*Universiti Sains Malaysia*

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# Democracy and Transition in Malaysia: An Analysis of the Problems of Political Succession

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Khoo Boo Teik

## I. Introduction

Late in the afternoon of September 2, 1998, Prime Minister Dr. Mahathir Mohamad's office tersely announced, without giving reasons, that Deputy Prime Minister Anwar Ibrahim had been sacked from all of his posts in the government. In the early hours of September 4, the Supreme Council of the ruling party, United Malays National Organization (UMNO), decided to expel Anwar, who was the party's deputy president. Anwar's dismissal occasioned an enormous shock that was aggravated by immediate media revelations of tawdry allegations against Anwar, his subsequent prosecutions, his controversial convictions, and the shabby treatment of Anwar's supporters and opposition groups, whether by police, media, or electoral methods, which continues to this day.

Much of this, as well as the course of the dissident *Reformasi* movement, which began with Anwar's defiant response to his dismissal and expulsion, is familiar and bears no elaborate repetition here.<sup>1</sup> What has not produced much comment, however, is the quiet, traumatized shock that UMNO, Malay society, and Malaysian politics in general felt at losing the *third* deputy prime minister under Mahathir — the sudden departure of the man who had been widely hailed as Mahathir's "anointed successor" to both UMNO's presidency and the premiership.

The sobriquet of *anointed successor* had not been carelessly employed by UMNO's veterans and the media chiefs, all adept at political spin. Even if Anwar's "anointment" was most strenuously upheld by his

supporters, naturally, it had been legitimated by the results of the UMNO's triennial party elections of 1993 and 1996. As such, the designation had helped to assuage the uncertainties caused by years of UMNO in-fighting that seemed to preclude an assured transfer of leadership from Mahathir to someone else, if only because that "someone else" kept disappearing from view. Mahathir's first deputy premier, Musa Hitam, resigned in 1986 over his differences with Mahathir, but Musa failed afterwards to retain his previously strong influence over the party. Mahathir's first minister of finance, Tengku Razaleigh Hamzah, unsuccessfully fought Mahathir for the party presidency in 1987, and was, after 1998, forced into a marginal opposition. Ghafar Baba, whom Mahathir appointed as Musa's replacement, narrowly defeated Musa for UMNO's deputy presidency in the party election of 1987, but Ghafar was, in turn, defeated by Anwar in 1993. In the mid-1990s, therefore, only Anwar, via two consecutive party elections,<sup>2</sup> had secured the depth of party support that signified that a successor had arrived. Mahathir seemed to have accepted that much himself, since once, when irked by persistent media speculation over his retirement, he said that Anwar "can step into the job if for some reason I should drop dead or become disabled."<sup>3</sup>

It is useful to recall this neglected dimension of the Anwar affair because, since Anwar's fall, there has been no one who can equally claim to have been popularly accepted as the new successor, despite Abdullah Ahmad Badawi's appointment as deputy prime minister in 1999 and election (without contest) as UMNO's deputy president in 2000.<sup>4</sup> Consequently, the post-Anwar situation is regarded either conspiratorially, as evidence of Mahathir's ploy to perpetuate himself in power, or simply as proof that no one else has been able to command the support of the UMNO rank and file the way Anwar demonstrated when he marshaled an unbeatable majority against Ghafar in 1993.

## **II. Democracy and Transitions**

The present uncertainty surrounding a post-Mahathir leadership transition is somewhat peculiar. On the one hand, Malaysia went through three transitions in premiership, sometimes under crisis, over a period of twenty-four years, that is, from 1957, the year of independence, to 1981, when Mahathir became the country's fourth prime minister. These transitions were unaccompanied by the kinds of violent seizures of power seen in some other former colonies, an indication that con-

tenders for power in Malaysia have abided by institutional provisions and procedures for resolving issues of leadership succession. On the other hand, succession itself became more contentious, divisive, and inconclusive during Mahathir's (continuing) tenure. This suggests that established modes of leadership transition now operate under great strain. Various questions beg themselves at this point. Why has it become increasingly difficult for the political system to effect a smooth transition of leadership and power at its highest level? How is the difficulty related to configurations of power involving the state, regimes, and the ruling party? How can this specific political problem of leadership transition be understood within the broader contexts of social and political transformation?

Conceptually, one can approach these questions and related issues by reference to three different kinds of transitions and their connections to democracy.<sup>5</sup> First, one may refer to *democratic transition*, a subject of extensive studies of comparative politics that have theoretically and empirically linked trends of democratization to economic growth, industrial transformation, and the rise of new middle classes. In the context of such studies, the Malaysian experience may be seen in practice to have been a steady movement *away from* rather than *toward* democratization,<sup>6</sup> whether that trend is assessed against the end of authoritarianism in certain Asian and Latin American states, Huntington's scenario of a "third wave" of democratization, Fukuyama's pronouncements on the "end of history," or some Asian elites' promotion of "Asian values."

Second, one can think of *regime transition* in the manner of, for example, Pempel's conceptualization of regimes and regime shifts, which emphasizes the varying political importance of different socioeconomic sectors and the role of state and non-state institutions.<sup>7</sup> Some studies of Malaysian political economy had previously examined similar issues in relation to the pre-New Economic Policy (NEP), post-NEP, and the Mahathirist regimes.<sup>8</sup> A contrasting perspective, stressing a *lack of regime change* as the more suitable subject of inquiry, has been offered by Crouch's analysis of the Malaysian model of an ambiguous "responsive-repressive," "neither democratic nor authoritarian" regime, or Case's characterization of the Malaysian political system as a semi-democracy notable for its "resistance to regime change."

Third, one may refer directly to leadership transition and more narrowly examine modes and experiences of transfer of power and political succession. This subject has not been explored much in Malaysian

politics although various writings have commented upon particular moments of leadership change and the political figures involved.<sup>9</sup> Partly for that reason, this essay is largely based on a specific review of the record of leadership transition from 1957 to 1998. By doing so, it tracks crucial changes in the modes and experiences of political succession. The primary concern is to evaluate the implications that those changes hold for political competition and systemic stability, rather than policy outcomes.

By virtue of its dominant position in the ruling coalition, UMNO has always held a monopoly on the highest offices of national leadership, so that the premiership of the country has been coterminous with the presidency of UMNO. For that reason, UMNO's internal politics play a pivotal role in leadership transition: succession at the level of the party basically decides succession at the national level. Thus, a large part of this essay seeks to understand how issues of political succession have been mediated through contests for UMNO's party presidency and deputy presidency. The essay also seeks to relate problems of political succession to UMNO's intensifying factionalism and the inconstant ability of its top party leaders to limit the scope of the party at large in determining political succession. Finally, by linking the issue of leadership transition with both democratic and regime transitions, this essay hopes to cast some light on the political turbulence of the past few years (beginning with the dismissal of Anwar Ibrahim) that has raised the issue of Mahathir's successor with greater urgency with each passing year of Mahathir's already long tenure in office.

### **III. 1957–81: Crises and the Leader's Prerogative**

#### **A. From Tunku Abdul Rahman to Tun Abdul Razak**

Leaving aside the entirely different issue of Malaya's transition from colonial rule to independent government, Malaysia's first succession at the apex of political power took place in September 1970, when Prime Minister Tunku Abdul Rahman retired, and his deputy, Tun Abdul Razak, became the nation's second premier. The political circumstances surrounding the transfer of power were critical. Just over a year before, on May 13, Kuala Lumpur had been engulfed in a spate of post-election inter-ethnic violence.

Tunku used to regard politics as very much a matter of culture or, more precisely, an elite subculture of good form and chummy compro-

mise. Economics rarely caught his attention. But the May 13 violence was an explosive expression of mass economic expectations, which were ethnically divisive and politically volatile as they coincided with real and imagined fissures in the areas of language, culture, and citizenship.<sup>10</sup> The violence (and, before that, the May election results, which were a setback for UMNO and its major coalition partner, MCA) wrecked the framework of the political economy managed by the ruling coalition, Alliance. This was theorized by some as consociationalism, but derided by one of the Alliance's own critics as a "ridiculous" *laissez-faire* formula of "politics for the Malays" and "economics for the Chinese."<sup>11</sup> The precipitous collapse of the parameters of Alliance rule provoked a backlash against the political leadership personified by Tunku. Within UMNO there was an attempted revolt of younger politicians,<sup>12</sup> while on the outside, certain Malay quarters organized demonstrations demanding Tunku's resignation.

Tunku's era was over.<sup>13</sup> Tunku nominally remained prime minister but a bloodless coup, organized by the Malay political elite, transferred real power to an interim junta, the National Operations Council (NOC), which ruled the country while Parliament was suspended under a declaration of emergency. Razak was the Director of the NOC. Yet in Tunku's hour of eclipse, Razak, his associate Tun Dr. Ismail Abdul Rahman, and a select group of the Malay elite were instrumental in maintaining the formal procedures for an orderly transition of leadership. While the NOC and the armed forces controlled the country, this select group of Malay leaders controlled the limits of UMNO's internal dissent. They quieted the party revolt, expelled Tunku's most prominent detractor, Mahathir, and sent others into temporary exile. The forms of Tunku's leadership of party, coalition, and government were retained until the leadership was officially transferred to Razak. Tunku was allowed to retire with honor and reward. In short, and in contrast to the violent *coups d'etats* in other decolonized states of a roughly similar "age," a precedent was set in Malaysia for constitutional and orderly transition having "no immediate break in leadership and no succession crisis."<sup>14</sup>

## **B. From Tun Abdul Razak to Hussein Onn**

Razak's own tenure in the premier's office was short. Assuming power, he appointed Dr. Ismail as his deputy but Ismail died in August 1973. Razak then appointed Hussein Onn, only for Razak him-

self to die in January 1976. In principle, Hussein's succession to the premiership in 1976 was not contested. However, there was a lurking crisis within UMNO that threatened the acceptability of this succession. Razak had sought to upgrade the quality of his regime by enlarging its corps of bureaucrats and technocrats. He insisted that development required more "administration" than "politics." Under the New Economic Policy (NEP), a whole generation of Malay administrators, technocrats, and professionals were trained at state expense and equipped with the resources to take charge of economic development. But the transition to an NEP-oriented, state interventionist administration involved a power shift, too, from UMNO's old guard to younger politicians who were being groomed by Razak. Just as the regime's social engineering project under NEP repudiated the Alliance's *laissez-faire*, so the rise of Razak's coterie of "young Turks" marginalized UMNO's "old style" politicians who supposedly lacked "the vision and technocratic skills to carry through the restructuring of society."<sup>15</sup> Not coincidentally Razak's protégés included Mahathir and Musa Hitam, who had attacked Tunku Abdul Rahman's leadership after May 1969, and their associate Tengku Razaleigh Hamzah.

Following Razak's death, UMNO was convulsed by a crisis. One element of the crisis resulted from Hussein's prosecution on corruption charges of Harun Idris, a powerful member of the old guard. The crisis deepened when the old guard struck at Razak's allies by accusing several of them of being communists. As it turned out, both sides suffered setbacks. Harun was convicted, expelled from UMNO, and imprisoned, while several Razak protégés were detained without trial for being "communist sympathisers,"<sup>16</sup> with not even Hussein able to protect them. However, Hussein's new administration stabilized, and the bizarre witch hunt turned out to be just the last gasp of an old guard being swept aside by the NEP's technocratic shift. Seen in its entirety, the transition from Razak to Hussein reaffirms several things. Hussein's prior appointment as deputy, bypassing the Malaysian Chinese Association's Tan Siew Sin, who was Hussein's senior in the Cabinet, made it clear that no non-Malay could be in line for the premiership.<sup>17</sup> It also stressed that the prime minister enjoyed the prerogative of appointing his deputy and, by extension, his successor. Further, seniority in UMNO counted, and precedent dictated that the party's deputy president would become deputy premier and take over from his predecessor when necessary.

### **C. From Hussein Onn to Mahathir Mohamad**

But what would happen if there was no deputy, the incumbent deputy himself having ascended to the party presidency and the premiership? That was what happened with Hussein upon Razak's death. In principle, the new leader's prerogative to choose a deputy was still respected, more so, one imagines, in the case of a vacancy created by death. At any rate, that was what Hussein set out to demonstrate. Yet, when considering his choice of a deputy premier, he quietly but surprisingly tried to set aside the principle of party seniority. Reportedly, his preferred candidate was Ghazali Shafie, then the Minister of Home Affairs. But in UMNO, Ghazali was *only* a member of the Supreme Council, having junior rank relative to the party's three vice-presidents, Ghafar Baba, Tengku Razaleigh Hamzah, and Mahathir. For these three vice-presidents much was at stake because Hussein, who had suffered a heart attack in 1975, was not expected to choose to remain long in office. Hence, his deputy could expect to become the prime minister in relatively short course.

The three competing vice-presidents colluded to entrench the principle of seniority by insisting privately to Hussein that his deputy premier had to be chosen from among them. After fifty-five days of being without a deputy, Hussein chose Mahathir, which was another surprise. Of the three vice-presidents, the veteran Ghafar had received the highest number of votes, Razaleigh was a rising emblem of NEP's sponsorship of "Malay participation" in a modern restructured economy, whereas Mahathir (readmitted into UMNO in 1972) had been elected with the lowest vote. Ghafar resigned from the Cabinet in protest. Razaleigh bided his time. Once more, the leader's prerogative in matters of succession had prevailed, albeit modified by the pretenders' intervention.

## **IV. 1981–96: Mandate from the Party**

### **A. Musa Hitam versus Tengku Razaleigh Hamzah**

In mid-1981, Hussein announced his intention to retire from active politics after the June UMNO general assembly, essentially paving the way for Mahathir to succeed him. There was no doubt that Hussein endorsed Mahathir as his successor, and there was no one to dispute Mahathir's claim to the party presidency. In July, Mahathir became

Malaysia's fourth prime minister in what seemed to be the smoothest succession yet, a transition marked by neither crisis nor contention.

But once more, the vacancy for the deputy presidency (and, it was understood, deputy premiership, too) led to competition among the UMNO vice-presidents, now Ghafar, Razaleigh, and Musa Hitam. Once more, and despite his being a widely popular veteran in his own right and his experience in government, Ghafar's claim to either position was not strong, especially since Mahathir's ascendancy marked a generational hand over of power that essentially precluded older contenders. Superficially, Razaleigh's claim was stronger than Musa's, the former being more senior in the ranks of the vice-presidents. Thus far in the party's history, there had only been one obscure and politically uncontentious contest for UMNO's deputy presidency. This was way back in 1956, when Dr. Ismail lost to Tun Razak. However, Razaleigh's claim on UMNO's deputy presidency was challenged by Musa. There were murmurings among the Razaleigh supporters that Mahathir and Razaleigh had privately agreed upon a pact five years before in which Razaleigh accepted Hussein's selection of Mahathir, but in return Mahathir would appoint Razaleigh in due course. Technically, though, Mahathir was arguably unable to exercise the leader's prerogative to appoint a deputy immediately since the formal transition from Hussein to Mahathir would take place only after the June 1981 general assembly that ratified Mahathir's presidency. Ideologically, therefore, the circumstances supported a current of argument that fastened upon the party, via the balloting of the delegates to the general assembly, as the mechanism for deciding who should become Mahathir's deputy in the party and the government.

Apropos the 1981 Razaleigh-Musa contest for UMNO's deputy presidency, the party folklore from the period may be roughly divided between two views. One view held that Mahathir, as president-to-be, stayed neutral and remained above the fray. Those who inclined to this view argued that by not becoming president until after UMNO's general assembly, "Mahathir had no choice but to concede to the party delegates to decide their choice for Deputy President."<sup>18</sup> But they might concede that Mahathir, on the quiet, set his "*gurkhas*" (followers or loyalists in UMNO parlance) to campaign for Musa.<sup>19</sup> An opposing view regarded the whole affair as an elaborate ploy to deny Razaleigh what was rightfully his. Those who took this second view maintained that Mahathir's reluctance or refusal to appoint or support Razaleigh was a self-interested maneuver because Mahathir considered him to be

a more dangerous rival than Musa.<sup>20</sup> There is also an intriguing outsider's view that it was Hussein himself who threw open the deputy president's contest by resigning as party president just before the general assembly.<sup>21</sup>

Whatever the correct interpretation, the fact that UMNO's 1981 election delegates were at liberty to select Mahathir's deputy effectively opened the way for the party at large to become directly involved in the process of determining leadership succession. In UMNO's and Malaysian political history, therefore, the 1981 Razaleigh-Musa battle set a momentous precedent, following which political succession could scarcely remain the bailiwick of a small elitist cabal within the ruling party, or the party's mere endorsement of the president's preference. No one anticipated it then, but a novel development in UMNO's politics and a new twist to political succession had emerged. Henceforth, political succession would be mediated through the party's triennial election but could no longer be separated from a spreading party factionalism. This was reflected in the intensity of the Musa-Razaleigh contest in 1981, which Musa won, and confirmed by the bitterness of a second Musa-Razaleigh fight in 1984, which was again won by Musa. Both contests took a heavy toll on the integrity and stability of the party.

## **B. Team A versus Team B**

In February 1986, Musa suddenly resigned as deputy prime minister *and* UMNO deputy president. His reason was that certain policy differences with Mahathir had led the prime minister to suspect his deputy of discrediting him and working to "bring him down."<sup>22</sup> Some quarters in UMNO urged Musa to reconsider. Musa partially relented. He withdrew his resignation as UMNO's deputy president, saying that while he was appointed deputy premier by Mahathir, he had been twice elected deputy president by the party. Faced with this party crisis and his own declining popularity, and perhaps looking ahead to the party election scheduled for April 1987, Mahathir picked the veteran Ghafar Baba to replace Musa, incidentally making it four times Razaleigh had been bypassed for deputy premier!<sup>23</sup> That, and Musa's parting of the ways with Mahathir, set the stage for an all-out struggle for UMNO's highest posts.<sup>24</sup> A contemporary journalistic account mused:

Will Musa run against Mahathir or settle for a defence of the No. 2 post? Will Razaleigh run against Mahathir or against Ghafar Baba, an old friend and ally who supported him in two contests against Musa? Will there be a three-cornered fight between Mahathir, Musa and Razaleigh for the top post or a Ghafar-Musa-Razaleigh struggle for deputy? Might not old foes Razaleigh and Musa team up to take on Mahathir and Ghafar? Or perhaps Razaleigh, not fancying his chances against Ghafar or Mahathir, might team up with them to take on the common enemy: Musa. When it comes to the crunch, will Mahathir and Ghafar stick together?<sup>25</sup>

It transpired that Mahathir and Ghafar stuck together while Razaleigh and Musa became allies. Razaleigh challenged Mahathir for the presidency, and Ghafar took on Musa. Further down the party hierarchy, UMNO's elite — cabinet ministers, deputy ministers and chief ministers — divided into being members of "Team A," the Mahathir-Ghafar faction, or "Team B," the Razaleigh-Musa faction. All of UMNO was split as the novel development in the party's politics and the new twist in political succession reached their zenith. The leaders could only fight for survival. The party would decide the succession.<sup>26</sup> Not for nothing, then, did Team A and Team B's doctrinal differentiations come to settle on such matters as the party president's mandate, continuity of leadership, legitimacy of challenge, and the need for "the party to control the government."<sup>27</sup> Team B's quest for a change in leadership failed marginally. Mahathir defeated Razaleigh by 761 votes to 718, while Musa lost to Ghafar by 699 to 739 (in a contest that included 41 spoiled votes). In defeat, Razaleigh and one of his Team B allies, Rais Yatim, resigned their cabinet positions. In victory, Mahathir purged all the remaining Team B ministers and deputy ministers from his cabinet, not caring that one minister, Abdullah Badawi, came in second among the three vice-presidents, while the others were elected to the party's Supreme Council.

From then on, Mahathir and his allies would not permit any further challenges to his leadership. Razaleigh's camp<sup>28</sup> tried to contest the validity of the election in court. The outcomes of that continuation of the leadership war by other means were, first, the de-registration of UMNO as a party;<sup>29</sup> second, a wave of mass arrests of dissidents and opposition politicians as UMNO's split coincided with a general heightening of inter-ethnic tensions;<sup>30</sup> and, finally, the emasculation of the judiciary.<sup>31</sup> Further, a new party, UMNO Baru (New UMNO), was

registered that entirely excluded Razaleigh and his staunchest allies. These outcomes of the turmoil of April 1987 were spectacular and tragic but did not affect the configuration of the UMNO leadership. In short, after the party had decided the core issue of succession, the leader went back to exercising his prerogative in determining who was to survive in government.

### **C. Anwar Ibrahim versus Ghafar Baba**

Learning from April 1987, UMNO's leadership sought to strengthen the position of incumbents by amending the party's constitutional provisions governing its triennial elections. In particular, it stipulated that one would only be eligible to contest a top position (from Supreme Council membership to the presidency) if he or she received a minimum number of nominations by UMNO divisions. Additionally, each nomination for the post of president or deputy president automatically earned the candidate ten "bonus" votes (in addition to actual ballots cast on the day of the election by individual delegates to the annual general assembly). Viewed strategically, these changes were instituted to forestall a repetition of Razaleigh's 1987 maneuver, which had been effective in masking the extent of his support by having his supporters "under-nominate" him. In power terms, these were conservative moves to centralize authority, disempower any disruptive challenge, consolidate incumbency, and protect the continuity of leadership. They were also ideologically consonant with the communitarian-authoritarian "Asian values" promoted by Mahathir in the early 1990s.<sup>32</sup> With Razaleigh and his supporters forced to reorganize themselves into a new party (Parti Semangat 46, or Spirit of 46 Party),<sup>33</sup> and Musa having faded from the political scene, Mahathir appeared to have retrieved the leader's prerogative to determine questions of succession from the party at large, leaving the latter with the dubious privilege of "mandating" what the leader(s) had decided... provided that the leaders always remained united. But UMNO's factionalism did not end with the exclusion of former dissidents; that merely allowed new figures to flourish. For all that Mahathir's own position was unassailable, there were centers of power where his writ was not supreme. And since Mahathir had had quintuple coronary bypass operations in 1990, the surest transit to UMNO's summit was seemingly offered by the deputy's post — again. There, Ghafar's incumbency did not inspire awe among the ambitious.

Anwar Ibrahim, then one of the vice-presidents and a key figure in Team A's 1987 campaign and Minister of Finance, moved to challenge Ghafar in 1993.<sup>34</sup> Anwar did it with such masterly exploitation of UMNO's new rules for elections that no Anwar-Ghafar fight actually took place! The cornerstone of his strategy was an alliance of a new generation of leaders, presented to the party as the *Wawasan* Team (or Vision Team): Anwar for deputy president, and Muhyiddin Yasin, Najib Tun Razak, and Muhammad Muhammad Taib for vice-presidents.<sup>35</sup> Then, as division after division in UMNO nominated Anwar for deputy president, his total number of "automatic votes" became mathematically unbeatable even before the general assembly began.<sup>36</sup> With impotent protest, Ghafar resigned from the government and did not defend his deputy president's post. At UMNO's election, the *Wawasan* Team swept the three vice-president's posts.<sup>37</sup> From another perspective, the Anwar-led team approach also brought to the contest a catchy representation of the issue of succession. The truth was that only one side acted as a team. Ghafar and the vice-presidents, Abdullah Badawi and Sanusi Junid, did not band together as a cohesive unit. In a broader sociopolitical milieu resonant with a Mahathir-inspired chorus of ideologically upbeat refrains about how the Malays had modernized themselves into *Melayu Baru* (New Malays), Ghafar, Abdullah, and Sanusi suffered the image deficit of being lumped together as an aging trio, exactly ripe to be succeeded!

In hindsight, the *Wawasan* Team's campaign in 1993 almost uncannily duplicated Team B's 1987 initiative, except that the president was unopposed and the upstarts were successful.<sup>38</sup> Mahathir's own attitude toward the Anwar-led campaign was perhaps ambivalent. Mahathir seemed to be divided between expressing empathy for an old loyalist (Ghafar) and appreciating the ambition of a protégé (Anwar). He initially appeared to disapprove of a contest against Ghafar, but once Anwar's campaign quickened, Mahathir acceded to the inevitable. Another way of looking upon 1993, then, is to regard the outcome as evidence of the resilience of the party at large to impose its succession preference upon the incumbent leadership.

## V. 1998: The Power of the State

Shortly after Anwar's 1993 victory, he was promoted to Deputy Prime Minister. It seemed then that Mahathir's heir apparent had been found, and that Mahathir, having been in power since 1981, would

step down before too long. Anwar, for all his ambition, would remain loyal to Mahathir until then. But whether Mahathir would soon depart office and whether Anwar would patiently wait his turn became huge questions that hung over practically all developments concerning UMNO between 1994 and 1995.<sup>39</sup> Rumors became rife about a rift between Anwar and Mahathir, which could lead Anwar to challenge Mahathir in 1996, whether from voluntary decision or because of compulsion from his supporters.<sup>40</sup> Mahathir and Anwar protested this line of thinking. Anwar proclaimed his loyalty to Mahathir, while Mahathir expressed his confidence in Anwar, evidently to no avail. Maybe too many quarters preferred to believe that both men protested too much. Then the rumors began to take on a new twist. Mahathir would undermine Anwar's influence in UMNO by backing a new contestant for the party deputy presidency. Sometimes the would-be challenger was said to be Anwar's ally of 1993, Najib Tun Razak, the Minister of Education. At other times, so improbable a candidate as Mahathir's old foe and Spirit of 46 returnee, Razaleigh Hamzah, was mentioned.<sup>41</sup>

Whatever the truth, the underlying riddle of the 1996 UMNO election was whether Anwar could extend his influence over the party. Mahathir tackled the riddle by having the Supreme Council pass three new rulings regarding the impending election.<sup>42</sup> The first ruling took its cue from the 1995 UMNO General Assembly, which had resolved that the two top party posts should not be contested. Now the party's divisions could only nominate Mahathir for president and Anwar for deputy president. Any other nomination or configuration of nomination for the party's two top posts would be rejected. The second ruling stipulated that candidates for the three vice-president's posts and the twenty-five Supreme Council seats (as well as for all posts in Pemuda UMNO, the youth wing, and Wanita UMNO, the women's wing) were required to register their candidacy five months before the general assembly. This stipulation significantly departed from UMNO's tradition of allowing contenders to engage in diverse forms of campaigning long before they declared their candidacy. Most contenders resorted to this form of concealment in the past partly for the tactical advantage of throwing off their opponents, and partly in deference to a supposedly Malay cultural distaste for a premature display of personal ambition. Razaleigh had used a late declaration to great effect in 1987, but, more pertinently, so had Anwar against Ghafar in 1993. And then, just five days after the permissible starting date for campaigning, the UMNO

Supreme Council banned any further campaigning ahead of the October general assembly. In Mahathir's words, the Supreme Council's ban on campaigning was:

the party's way of ensuring fairness to all because there are some candidates who can afford to campaign while others cannot. Members have come up to some candidates who are clean and said we will not support you if you don't give us money. Banning campaigning is one way to level out the opportunity for all.<sup>43</sup>

As it turned out, the Anwar camp swept the Pemuda UMNO and Wanita UMNO elections. Ahmad Zahid Hamidi, an Anwar ally, emerged as president of Pemuda UMNO, while critical support from the Anwar camp enabled Siti Zaharah to win the Wanita UMNO presidency against the incumbent Rafidah Aziz. Yet there was to be no sweep by the Anwar camp at the parent body's election. For the vice-presidential contests, no key Anwar ally was returned. Najib Tun Razak and Muhammad Muhammad Taib were re-elected, while Abdullah Badawi regained the seat he had lost in 1993. Najib and Muhammad were members of the 1993 *Wawasan* Team but had since distanced themselves from Anwar, while Abdullah Badawi, a former Musa associate, was a popular figure in his own right. Significantly, Muhyiddin Yasin, still identified as an Anwar man, was not re-elected despite receiving the highest vote for vice-president in 1993. In addition, Mahathir loyalists dominated the new Supreme Council.

The crowning glory of Mahathir's performance in 1996 was not just his control over the party. It was that he shifted the burden of the succession question away from himself—to Anwar! Mahathir made clear that he would continue as UMNO's president and Malaysia's prime minister, and refused to set a succession timetable:

Why should I give a clear timetable? The moment you give a timetable, you are a lame duck. That's what happens to Western leaders.... No, I have given nothing. I have said nothing. I can go any time now or 10 years later or whatever. Depends on what the situation is like. I told you whoever is in place as my deputy will succeed me.<sup>44</sup>

Following the 1996 election, Anwar's chief concern was, in fact, to secure his "Number 2" spot and outlive Mahathir, so that "he [Anwar] can step into the job if for some reason [Mahathir] should drop dead or

become disabled.”<sup>45</sup> Rumors persisted of differences in style, policy, and interests between Mahathir and Anwar,<sup>46</sup> but the former remained in power and the latter continued to be the “anointed successor.” The 1996 election had proven that Anwar’s control of the party was less powerful than speculated. Time seemed to be on his side, however, as he set out to spread his influence over UMNO. By 1998, indeed, as the UMNO divisions completed their elections (both of office-bearers and delegates to the 1999 general assembly), it was widely assumed that the Anwar camp commanded the loyalty of a plurality of the delegates. Such strong support, supplemented by support from other factions in UMNO, might be sufficient for Anwar to mount a successful campaign against Mahathir in 1999, should a contest for the presidency take place.

Up until mid-1997, a smooth transition from Mahathir to Anwar was not an implausible scenario.<sup>47</sup> However, July 1997 ruined that scenario, as the subsequent development of the East Asian financial crisis made it highly unlikely that Mahathir would leave office under a cloud, and the domestic management of the economic crisis in Malaysia ruptured relations between “No. 1” and “No. 2.”<sup>48</sup> An adequate treatment of the politics of the July 1997 crisis, including differences between Mahathir and Anwar, is beyond the scope of this essay.<sup>49</sup> Suffice it to note that the flashpoint came in June 1998. On the eve of the UMNO general assembly, Zahid, Pemuda UMNO president, openly questioned practices of “cronyism” and “nepotism” in Malaysian economic management in ways reminiscent of the Indonesian *Reformasi’s* attack on *kolusi*, *korupsi* and *nepotisme* (collusion, corruption and nepotism) that had toppled Suharto in May. It is not completely clear whether Anwar personally directed his supporters to launch that criticism of Mahathir or whether he mistakenly went along with it.<sup>50</sup> Zahid’s criticism quickly fizzled out under Mahathir’s peculiar counterattack that unabashedly claimed that his policies of “cronyism” had assisted “six million cronies,” meaning Malay beneficiaries of NEP and other state programs.<sup>51</sup> The truth was that Zahid’s criticism was widely construed to be an organized, Anwar-led attempt to embarrass and discredit Mahathir, maybe to the extent of pressuring him to resign.<sup>52</sup> At any rate, Anwar realized too late that Mahathir now considered him an imminent threat. Anwar afterwards protested his loyalty to Mahathir to no avail. Between the June UMNO general assembly and Malaysia’s national day (August 31), rumors abounded that Anwar would be forced to resign as deputy prime minister. The

rumors were proven wrong, and crucially so. Evidently, behind the scenes, Mahathir's intermediaries asked Anwar to resign but he refused. On the afternoon of September 2, the Prime Minister fired his deputy. UMNO's Supreme Council met, and, in the early hours of September 4, decided to expel its deputy president on the grounds of his allegedly immoral conduct. Each of these two decisions had a special significance. The Prime Minister's decision relied on his control of the state to crush a deputy feared to have garnered popular control of the party at large.<sup>53</sup> The Mahathir-dominated Supreme Council's decision preempted any Anwar comeback in UMNO via a Musa-style separation between being deputy prime minister and being UMNO deputy president. Confirmation of Mahathir's two-pronged suppression of any Anwar-inspired party-based dissidence came in early 1999 when the Supreme Council indefinitely postponed the 1999 party election. His assumed plurality of delegates having come to naught, Anwar unwittingly and ironically vindicated the shrewdness of Mahathir's maneuvers when the former subsequently revealed that he would have challenged Mahathir in 1999.

## **VI. Conclusion**

A short essay cannot comprehensively cover a forty-one-year history of leadership transition. The preceding discussion only offers a guide to the modes of transition that generally defined three periods in which leadership transition raised issues of democracy and political competition, albeit within the narrow ambit of party politics. To summarize, the prerogative of the UMNO president-cum-premier was generally heeded in the first period. It is a moot question whether this tacit acceptance of the leader's prerogative represented a vindication of a democratic observance of established procedures, or a confirmation of UMNO's and Malaysia's "semi," "quasi," or "modified" democracy. In any case, a basically uncontested exercise of the leader's prerogative facilitated a controlled and relatively smooth transition under diverse circumstances, namely, a bloodless coup, an unexpected death, and a voluntary retirement. During the second period, the problem of succession was sharply contentious as unrestrained competition among UMNO's rival centers of power coincided with the ability of the party to participate directly in the process of determining Mahathir's successor. It is likewise moot whether the party's "mandate," arguably a democratic improvement over the "leader's preroga-

tive," was to be preferred, since its price was the party's institutional instability. In the third period, the shifting balance of power between the leader and the party at large appeared to reach a stalemate. The leader no longer trusted the party on the matter of his succession. In a time of severe economic crisis, this was synonymous with his own survival. At that juncture, Mahathir's actual control of the state rendered Anwar's reputed control of the party a dispensable formality.

Thus, a forty-one-year record of leadership transition ended in the sordid Anwar affair. Even if a balanced evaluation of its record allows for swings *toward* and not just *away from* democratic leanings, clearly it is not accurate to regard UMNO as an oasis of democracy in a bleak milieu of increasingly authoritarian rule. UMNO's record paralleled the political system's basic transition away from democracy as incumbent regimes refined their techniques of resisting meaningful change. Hence, reforms of UMNO alone will not result in future forms of leadership transition that permit competitive *and* democratic political succession, in the pluralist sense of both words. To the extent that the political leadership is intolerant of regime change at the level of the nation, it will be intolerant of regime change within the party. It is instructive that there is now a popular understanding that issues of leadership transition cannot be allowed to be determined by the internal politics of the dominant party alone. In the remarkably heightened political consciousness of the *Reformasi* period, before the November 1999 general election, various popular sectors were beginning to suggest an institutionalized limit to the tenure of any prime minister. It was not a suggestion that quickly made the electoral or political agenda. Although it must be the subject of another study, the possibility should not be ruled out altogether, especially if the uncertainties of succession catalyze another round of factional fighting that brings UMNO to implosion. ●

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## Notes

1. Funston 1999; Sabri 2000; Maznah 2001.
2. Musa had, of course, won two contests for UMNO's deputy presidency, in 1981 and 1984. See the section, "Musa versus Razaleigh," below.
3. *Time* (9 December 1996): 28.
4. Maznah 2001, p. 213.
5. The background to much of the politics would be the *economic transition* which has seen Malaysia transformed from a largely agrarian economy at independence in 1957 to an industrialized economy at the end of the 20th century. For much of that forty-three-

year period, Malaysia was held to be a moderately successful, middle-income, commodity-producing and net oil-exporting country. But a state-supported program of industrialization, largely based on foreign direct investment in the labor-intensive and export-oriented manufacture of textiles, garments, and electronic products had commenced in the 1970s. This program was followed in the 1980s by a state-sponsored drive towards heavy industrialization in the automobile, cement, and steel sectors. Most of all, high rates of export-oriented and manufacturing-led growth, averaging over 8 percent annually between the late 1980s and mid-1990s, turned Malaysia into a second-tier, newly industrializing country.

6. Crouch 1992; Khoo 1997b.

7. Pempel 1998.

8. Saravanamuttu 1987; Tan 1990; Jesudason 1996.

9. von Vorys 1975; Means 1991.

10. Khoo 2001, pp. 135–36.

11. Mahathir 1970, p. 15.

12. von Vorys 1975, p. 317.

13. As the highest government officials gathered to deal with the violence, “with all deference to the Prime Minister, most were looking to Tun Razak for decision” (von Vorys 1975, p. 334).

14. Means 1991, p. 19.

15. Crouch 1980, pp. 17, 32–33.

16. *Ibid.*, pp. 20–27.

17. Note here that the tacit principle of coterminacy — that is, the presidency of UMNO would be coterminous with the premiership — extends to the deputy premier’s post as well, which partly explains why MCA’s call for a second deputy premier, presumably to be appointed from non-Malay ranks, was rejected out of hand by UMNO in the 1980s.

18. Chamil 1998, p. 82.

19. *Ibid.*, pp. 85–86.

20. Ghani Ismail 1983, p. 17.

21. Kershaw 1989, p. 129. In this case, regionalist sentiments may also have played a part. Hussein supported Musa because they came from the state of Johor. Razaleigh came from Kelantan.

22. Khoo 1995, p. 229.

23. The first time being Hussein’s appointment of Mahathir, the second and third times following his defeats by Musa, and the fourth arising from not being picked to replace Musa.

24. Khoo 1995, pp. 261–271.

25. *Asiaweek* (7 December 1987): 27.

26. Without, of course, reifying the party here.

27. Kershaw 1989.

28. The reference to Razaleigh’s camp is intentional. Team B’s cohesion ended after the party election. Musa’s camp believed that the 41 spoilt votes that led to Musa’s defeat were cast by Razaleigh loyalists.

29. Khoo 1995, pp. 287–290.
30. *Ibid.*, pp. 271–286.
31. Lee 1995, pp. 52–77.
32. Khoo 1999, pp. 182–183
33. S46 failed to defeat UMNO in the 1990 general election.
34. For a summary account of the 1993 UMNO party election, see Case 1996, pp. 234–237.
35. Or “Vision Team,” with its sly reference to Mahathir’s widely popular *Wawasan 2020* (Vision 2020).
36. The details of Anwar’s strategy are beyond the scope of this essay. However, there were undocumented charges of money politics, that is, vote buying, being practiced by managers of the *Wawasan* Team. Other than that, Rahim Tamby Chik, then Chief Minister of Melaka, Ghafar’s home state, arranged for UMNO Melaka divisions to be among the first to nominate Anwar, an ominous portent for Ghafar.
37. Rahim Tamby Chik, the other *Wawasan* Team member, handily won the presidency of UMNO Youth.
38. This point should not be overly stretched. In 1987, Ghafar was the upstart who challenged Musa.
39. For example, when the then 70-year-old Mahathir declared, after his 1995 electoral triumph, that he was young “compared to Deng Xiaoping,” his statement was taken to mean that Mahathir would not voluntarily relinquish his position. But when key Mahathir loyalists, Sanusi, and former Finance Minister, Daim Zainuddin, could not win control of their party divisions in Mahathir’s home state of Kedah, their failures were attributed to moves made by Anwar supporters to hurry Mahathir out by showing up his declining influence in the party.
40. “A Man in a Hurry,” *Asiaweek* (11 May 11 1995): 26–31, and Kadir Jasin, “Other Thots,” *New Sunday Times* (15 October 1996) provide a sample of the rumors.
41. In early 1996, S46 dissolved itself and Razaleigh led his supporters back to UMNO (Khoo 1997a: 166–68).
42. Khoo 1997a.
43. *Far Eastern Economic Review* (25 July 1996): 16. Not coincidentally, perhaps, Anwar’s political secretary was among several prominent UMNO leaders who were barred from the elections for violating the campaign ban.
44. Citations from this interview were taken from its full text, “Prime Minister thrives on no-nonsense policies,” then available at the *Far Eastern Economic Review’s* website, <http://www.feer.com>. For an abridged version of the interview, see V. G. Kulkarni, Murray Hiebert, and S. Jayasankaran, “Tough Talk,” *Far Eastern Economic Review* (24 October 1996): 23, 26–27.
45. *Time* (9 December 1996): 28
46. Consider, for instance, that each time a Malay-controlled (and occasionally a non-Malay-controlled) corporation landed a major commercial deal or government project, there would be an attempt to identify its corporate head as either a Mahathir or an Anwar man. Soon business and press circles were suggesting that “Anwar’s boys” were

increasingly anxious that they were being edged out by “Mahathir’s cronies” in the competition for plum contracts and projects.

47. Despite Mahathir’s refusal to set a timetable for his retirement, I had speculated that Mahathir, in the style of Malay politics, did float a succession balloon in 1994–95 (Khoo 1997a, 175–76).

48. It is instructive to recall that Musa’s differences with Mahathir, which led to their falling out in 1986, became irreconcilable as the Malaysian economy slipped into recession in 1985 so that the Mahathir-Musa rift reflected a wider dissatisfaction with Mahathir’s leadership and policies.

49. Funston 1999; Khoo 2000a.

50. Jomo 2001, pp. xx, 44.

51. Khoo 1998.

52. Ibid.

53. I wish to thank Francis Loh for pointing out to me that September 2 was not the first time when control of the state prevailed over control of a party. See Loh (1982) for a discussion of the way in which the Perak Task Force “reformers” of the Malaysian Chinese Association were defeated by their party elite with state intervention. Back in 1959, too, Lim Chong Eu, then MCA president, was practically ousted from the party’s leadership by Tunku Abdul Rahman, then UMNO president and prime minister (von Vorys 1975: 162–65).

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