



# Tough road ahead for Malaysia and Anwar

Key challenges include upcoming state elections, balancing federal finances and addressing racial disunity

SEE PAGE 3

by AFIQ HANIF

THE highlight for the country in 2022 was definitely the hotly-contested 15th General Election (GE15).

As the dust settled, Datuk Seri Anwar Ibrahim became Malaysia's 10th prime minister (PM) on the combined support of MPs from Pakatan Harapan (PH), Barisan Nasional (BN), Gabungan Parti Sarawak (GPS), Gabungan Rakyat Sabah (GRS) and other political parties and independents. He governs with 148 seats, more than a two-third majority of the 221 seats in total.

If this arrangement lasts the full five-year term, it will allow Anwar to make serious institutional reforms that the country so desperately needs, including legislative and policy changes,

as constitutional amendments require a two-third majority.

Thus, Institute for Democracy and Economic Affairs (IDEAS) CEO Dr Tricia Yeoh said the first thing is to ensure a "coalition of coalitions" arrangement to bind all the supporting MPs together for a fixed period.

"This could be done by way of a memorandum of understanding (MoU), akin to what was previously signed by former PM Datuk Seri Ismail Sabri Yaakob and the then Opposition parties," she said.

Ideally, this should also include policy commitments and concessions given to parties, transparently spelt out and made public.

"Finding a sweet spot between ideological splits

between member parties and coalitions, however, will be a challenge moving forward — especially in the area of fiscal consolidation, greatly needed in a country that is facing upward pressures on its public debt to GDP ratio."

On that note, Yeoh said the first major policy document — Budget 2023 — will have to be quickly worked on, as the previous plan was tabled, but not yet debated nor passed. (A RM107.72 billion "Mini Budget" for the government's urgent expenditure was passed in Parliament on Dec 20).

Universiti Kuala Lumpur (UniKL) Business and Economic School's Assoc Prof Dr Aimi Zulhazmi Abdul Rashid said that Anwar should take advantage and utilise his vast

SEE PAGE 3

Pic by Muid Amin Nohari

# Tough road ahead for Malaysia and Anwar

• FROM PAGE 1

network, especially abroad, to balance the country's finances, including reducing the national debt which currently exceeds RM1 trillion, and attracting foreign investors to come to Malaysia.

"The government, through fiscal policy, cannot continue to spend by increasing debt to develop the national economy. It needs to be balanced with investment money, especially (the increasing investments) from abroad.

"The appointed advisors would also be able to assist the Ministry of Finance (MoF) to create a more robust and up-to-date formula to attract foreign direct investments (FDIs)," he told The Malaysian Reserve (TMR).

Aimi Zulhazmi said this includes competing with neighbouring countries in Asean, for example Indonesia and Thailand, which are now more successful at attracting FDIs to their respective countries.

In the meantime, the country and its PM have the remaining state elections to contend with.

IDEAS' Yeoh said: "Looking ahead, election season is not quite over. Next, six state elections are due between July and August 2023, three of which are currently ruled by PH (Selangor, Penang and Negri Sembilan) and three others by Perikatan Nasional or PN (Kelantan, Terengganu and Kedah)."

She said the results will depend on whether BN can consolidate and gain grassroots buy-in for its current cooperation with PH. The two coalitions working together is unprecedented, after decades of demonising each other's component parties and allies, particularly DAP as a pro-Chinese party.

## State Elections

Yeoh said the new coalition could retain PH states but also gain ground in PN states, especially if cracks start to emerge within Parti Pribumi Bersatu Malaysia as the party is unused to being the Opposition.

"Alternately, PN may consolidate, using its existing north-eastern belt to its advantage and in fact increasing its seats share in the PH mid-peninsula belt by accusing BN-PH of having deceived voters after the GE15 outcome (campaigning against the corrupt BN that lost badly yet emerged winners to be a part of the government)," Tricia said.

Meanwhile, Research for Social Advancement (Refsa) research coordinator Fakhruddin Rashid said GE15 showed that Malaysia's political competition is more complex and the function of democracy is becoming more important in determining the country's direction.

"It is too early to make a simple



Anwar chairing his 1st Cabinet meeting at Perdana Putra on Dec 5. Demuda's Amir suggests that the govt create a National Action Plan to combat racism, racial discrimination and related intolerance

analysis of the alleged extremist sentiments in GE15, which were phenomenal and (played up) only to attract base supporters."

Fakhruddin said polls will be taking place in six state elections, but the furore caused by raising racial and religious issues when campaigning can be alleviated if the unity government maintains its current performance, led by Anwar to focus on the high cost of living and the wellbeing of the people.

"Effectiveness in addressing the crisis would increase the confidence of the public towards Anwar Ibrahim's leadership for the betterment of the country."

## Managing Expectations

In short, there is a mountain of work ahead for all sides. There is only a sober sense of anticipation, at most relief, at the GE15 resolution. A constitutional crisis and political impasse were averted, but the last few years of political instability and friction have taught Malaysians to temper their expectations.

"The results of GE15 point to one clear sign: PAS has strengthened. Previously with a base in the East Coast of the Peninsula, they now have a stronghold in the north and will work on increasing its influence southwards," said IDEAS' Yeoh.

She added that there are many challenges yet for Anwar as the previous PH administration must reflect on its failings during its 22-month stint in power, including various ministers who were un-



Refsa's Fakhruddin Rashid says the unity govt should work closely with EC to study delineation of electoral boundaries to ensure fair and equitable constituency representation for GE16

successful in working alongside their public service administrators. PH must also avoid the perception of being DAP (and hence Chinese)-dominant and assure the Malays that their special constitutional position is not under threat.

"If GE14 was about one issue — 1MDB (1Malaysia Development Bhd) and the fall of (Datuk Seri Mohd) Najib Razak — GE15 was a mixed bag of interconnected themes including weak leadership, race, religion and a post-pandemic struggling economy, coupled with compromise and cooperation on begrudging solutions. But ultimately, there are no clear winners this time and a sizeable proportion of the population would have been dissatisfied no matter the outcome, having seen votes split multiple ways," she added.

Nevertheless, with a 73.9% voter turnout, Malaysians still seem to believe in exercising their democratic right to choose their leaders every four to five years.

"And that is a good thing, as Malaysia continues its process towards democratic consolidation and learns to negotiate, hopefully along policy instead of patronage-based lines," Yeoh commented.

## Racial Problems

Video material has long been a feature of Malaysian political discourse. For example, "13 May" — in reference to the May 13 incident in 1969 when a riot occurred in the aftermath of the 1969 GE —

has been a common form of slander against a political candidate.

During GE15 campaigning period, social media video content became the "new" dominating technology. The nature of the campaign was shaped by massification, even democratisation, of video content.

This exposed the fact that racism and racial discrimination continue in our society, alongside other forms of prejudice, hate crimes and hate speech. The government has tasked law enforcement agencies and the Malaysian Communications and Multimedia Commission (MCMC) to ensure justice is served expeditiously.

These inexcusable and discriminatory acts against non-Malays (and Malays too) are derailing the gains we have made as a unified country. Pertubuhan Demokrat Sosial (Demuda) vice chairman Amir Asyran said it is horrifying and outrageous that racial issues keep rearing their ugly heads.

"As a country, we are working hard to deal with crucial challenges such as the huge inequality gap, a legacy of the past, which is also a contributing factor to racism."

Amir believes the new PM would be able to handle the eradication of racism, "(especially) when we recognise and accept that we have more in common that unites us than divides us".

"PM Anwar has a strong belief in uniting the nation and that

should be our forward steps to becoming a greater nation," he said.

Amir said Malaysians must work harder to address the scourge of racism and not undermine democracy.

"Racism will end once those committing these acts recognise and understand that only they can stop it. It is the responsibility of all members of society to actively speak out against racism and promote equality," he told TMR.

Amir suggested that the government create a National Action Plan to combat racism, racial discrimination and related intolerance, by committing all sectors of the society to the promotion and protection of human rights. He said awareness on anti-racism, equality and anti-discrimination issues should be heightened.

SuaraKami, a youth-related NGO, said Malaysia has not heard inspiring uniting words since Tunku Abdul Rahman Putra Al-Haj, referring to a statesman and leader whose vision and struggles are unfamiliar to many of the young voters.

Its secretary general Esther Ng Yi Ke suggested PM10 act on his words, as they say the "proof is in the pudding".

"From the standpoint of public relations, here are the things that the rakyat would like to see and that would lend credibility to him, including to avoid using the word 'tolerance' when discussing interracial relationships but instead, use comprehension and respect," she said.

## Education and Delineation

SuaraKami's Ng also stressed that the government should initiate a comprehensive national education campaign to promote understanding and respect, as well as kindness and good manners.

"Prohibit all forms of hate speech, incitement of racial discord and threats to racial harmony, and prosecute all offenders to the fullest extent of the law. No one should be exempted from the law."

She also suggested mandatory sensitivity training for all MPs and ministers to educate and promote social sensitivity and behavioural flexibility, resulting in better individual and group dynamics.

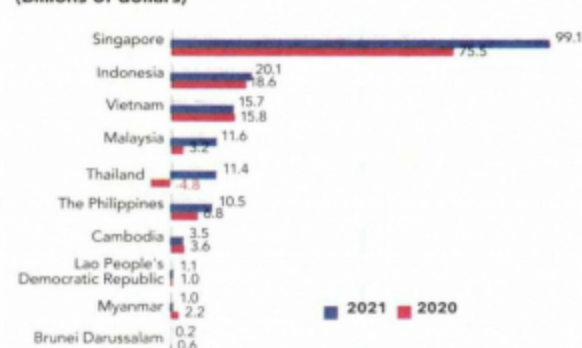
"We must start somewhere and this means from inside the House itself. Penalties for MPs who insult or berate others should be severe, and insults to women and marginalised groups should be prohibited," Ng said.

Meanwhile, Refsa's Fakhruddin said the unity government should work closely with the Election Commission (EC) to study delineation of electoral boundaries to ensure fair and equitable constituency representation for GE16.

"The increasing number of voters, resulting from the implementation of Undi18 and automatic registration, presents a challenge for elected representatives to serve the people directly. This process might see the number of seats increase in Parliament or state seats," he said.

For example, Bangi has the most eligible voters with 303,430 for GE15, about 55% more than the whole state of Perlis, which has 195,927. Thus, it could perhaps be broken up into smaller constituencies to enable effective representation. Mayhap Anwar, and his administration, could address this issue, alongside many others that need attention.

FDI inflows in Asean Member States, 2020 and 2021 (Billions of dollars)



Source: ASEAN Secretariat