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**The 2004 Malaysian General Elections:
Economic Development, Electoral Trends, and the Decline of the Opposition**

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Introduction

This article argues that the rise of the influence of the Opposition during the 1990s was primarily due to outcome of key policies implemented by former prime minister, Mahathir Mohamad, on the economy and Malaysian society. One key reason why Prime Minister Abdullah Ahmad Badawi managed to lead the ruling *Barisan Nasional* (BN, or National Front) coalition to a phenomenal victory in the 11th general elections in 2004 was his pledge to introduce economic reforms to respond to the needs of the poor, especially rural Malays, and to rectify social ills, particularly rampant corruption, that had emerged during the Mahathir era.

This article first provides an overview of Mahathir's economic agenda for Malaysia, focusing on the outcome of his developmental plan. The second segment outlines Abdullah's promises of change following his ascendancy to the premiership and during the 2004 elections campaign. An analysis is then provided of electoral trends during the period 1990 to 2004, to support the contention that the Opposition's rise during the 1990s was primarily the result of Mahathir's economic policies.

The article concludes by arguing that if the BN is not able to deliver on its economic reform pledges, the decline of the Opposition may only be a temporary phase. However, as the electoral trends over this nearly 15-year period also indicate important demographic changes in Malaysia, the possibility of the emergence of a strong Opposition will depend on the implementation of institutional reforms that adequately respond to changes in society.

Malaysia Under Mahathir

In October 2003, Mahathir relinquished power to his chosen successor, Abdullah, after having served more than 22 years as prime minister of Malaysia. During his tenure, the political system under Mahathir had come to be one characterized by concentration of power in the hands of the executive. The structure of the state had become so extremely personalized that the term 'Mahathir hegemony' was liberally applied in most analysis of

Malaysian politics.¹ In July 1981, when Mahathir assumed the premiership, the Malaysian political system was then characterized as one of ‘UMNO hegemony’, that is where the multi-party BN coalition, supposedly practicing a form of consociational democracy, was under the control of the prime minister’s party, the United Malays’ National Organization.²

Mahathir’s administration was also noted for its close nexus with business, typified by selective patronage of businessmen, ostensibly as a means to achieve three primary goals: first, the creation of a dynamic, entrepreneurial community with the capacity to compete internationally; second, to achieve fully-developed industrialized nation status for Malaysia by 2020; and finally, to create a new class of internationally recognized Malay capitalists.³

The consequences of the government’s developmental agenda, involving also the implementation of the affirmative action-based, 20-year New Economic Policy (NEP), introduced in 1970, was the rise of a ‘new middle class’ which included the emergence of an independent, dynamic, mainly professional Malay community.⁴ This new Malay middle class was also reputedly a disgruntled community because they could not break into the elite cohort that was capturing most state concessions, or ‘rents’,⁵ created to attain Mahathir’s development agenda for Malaysia. This Malay middle class would eventually become the primary supporters of the new opposition party, *Parti Keadilan Nasional* (Keadilan, or Malaysian National Justice party), led by Anwar Ibrahim, former deputy prime minister and UMNO deputy president, after he was ousted from office by Mahathir in 1998.

Despite NEP implementation, which aspired to eradicate poverty by 1990, when Mahathir retired from public office in 2003, the persistence of this problem remained a serious issue among rural Malays, a community that had long provided staunch support to UMNO. By the mid-1990s, these Malaysians, situated in the so-called ‘Malay heartland’ of Kelantan, Terengganu, Kedah, Perlis, Pahang, and northern Perak, had begun to question why affirmative action had not helped them. These Malays increasingly saw UMNO not as their ‘protector’⁶ but as having committed nothing more than a series of broken promises.⁷ They viewed the government’s focus on heavy industries, privatization, and the promotion of big business as policies contributing little to alleviate the plight of the poor, especially those still involved in agriculture, fishing, and cottage industries.

¹ See, for example, Hilley (2001), Hwang (2003), Khoo (2003), and Gomez (2004).

² See Means (1991), Crouch (1996). The other major parties in the BN, comprising about 14 organizations, include the ethnically-based Malaysian Chinese Association (MCA) and Malaysian Indian Congress (MIC), the socialist-based *Gerakan Rakyat Malaysia* (Gerakan, or Malaysian People’s Movement), the People’s Progressive Party (PPP), the Sarawak-based *Parti Persaka Bumiputera Bersatu* (PBB), and the Sabah-based *Parti Bersatu Sabah* (PBS, or Sabah United Party).

³ See Gomez and Jomo (1999), Sloane (1999), Gomez (1999a), and Gomez (2002).

⁴ For an insightful analysis of the emergence of this new Malay middle class, see Abdul Rahman (2002). See also Khan (1996).

⁵ Gomez and Jomo (1999) and Jomo and Gomez (2000).

⁶ Chandra (1979).

⁷ Gomez (1996).

Apart from their poverty and feeling of economic marginalization, rural Bumiputeras were also growing anxious over the influence of Western-style modernism on Malaysian, especially Muslim, society. By the mid-1990s, an outcome of rapid urbanization and modernization was new social problems, including a rise in divorce rates among Malays, *bohsia* – promiscuous behavior – and *lepak* – loitering in malls – primarily among Malay youths, escalating gangsterism among poor ethnic Indians who had migrated to urban shanty areas, and a burgeoning drug problem among youths, including the abuse of the drug, ecstasy, by young ethnic Chinese. These factors contributed to growing support for the Islamic party, *Parti Islam SeMalaysia* (PAS), from the early 1990s, as the party offered Islam as the answer to the social malaise enveloping the country.⁸ By the late 1990s, feelings of marginality and exclusion were being expressed more by Malays than by non-Bumiputeras, an indication of the emergence of new intra-ethnic class divisions as a consequence of policies implemented to promote rapid industrialization.

Within the corporate sector, as a result of the rapid rise of a number of big businesses – the supposed new ‘captains of industry’ – where much wealth was concentrated, allegations of unbridled corruption in politics and business were hurled on the Mahathir administration. Following the 1997 currency crisis, when a number of these large enterprises nurtured by the government required government support to fend off bankruptcy, this led to further allegations of favoritism, nepotism, and abuse of power by the government.⁹ By the time Mahathir had decided to step down as prime minister in late 2002, even he had to acknowledge that his attempts to develop a new breed of privately-owned Malay conglomerates had failed miserably.¹⁰

There was evidence to support Mahathir’s astonishing admission that his efforts promote Malay capital and effectively privatize and industrialize Malaysia was unsuccessful. In 2000, of the top 10 firms quoted on the Malaysian stock exchange, the government had majority ownership of seven of these firms.¹¹ The remaining three firms were Chinese-owned.¹² None of these top 10 companies was owned by Malays. No company in top 10 was involved in the industrial sector, indicating that the government had failed to develop huge enterprises with an active participation in manufacturing. Among the top 20 firms, only two were involved in manufacturing, the once-privatized but subsequently re-nationalized Proton, manufacturer of the Malaysian car, and foreign-owned Rothmans, producer of cigarettes.¹³

Other evidence to substantiate Mahathir’s argument that the enterprises his government had scrupulously nurtured were not sustainable was the impact of the 1997

⁸ Gomez (1996).

⁹ Jomo (2001).

¹⁰ See Mahathir’s speech entitled ‘The New Malay Dilemma’, delivered at the Harvard Club of Malaysia dinner on 27 July 2002.

¹¹ These seven firms were Telekom Malaysia, Malayan Banking, Tenaga Nasional, Petronas Gas, Malaysian International Shipping Corporation (MISC), Sime Darby, and Commerce Asset-Holding.

¹² These three firms were Resorts World and Genting (both of the same group owned by Lim Goh Tong) and YTL Corporation (owned by the Yeoh family).

¹³ However, none of top 10 was owned by a foreign enterprise. This was an indication of the government’s success in protecting the domestic economy, specifically the banking sector, from coming under the control of foreign enterprises.

currency crisis on these firms. Among the companies that were reportedly ‘bailed out’ included Renong, controlled by Halim Saad, a firm reputed to represent the rise of Malay capital. Before Halim’s takeover of the Renong group, its associated companies had been owned by UMNO, and were privy to a number of lucrative privatized projects, including the multi-billion ringgit North-South Highway. Proton, manufacturer of the Malaysian car that had been privatized, had to be bought from the debt-ridden DRB-HICOM by the government-owned and cash-rich petroleum firm, Petronas. The loss- and debt-ridden Malaysian Airlines (MAS), the nation’s privatized airlines, had to be re-nationalized to rescue it from imminent bankruptcy. MAS was then controlled by the well-connected Tajuddin Ramli who also owned the privatized mobile phone operator, Celcom, which was taken over by government-controlled Telekom. The government’s acquisition of debt-ridden businesses owned by Mirzan Mahathir, the former prime minister’s eldest son, was mired in much controversy. Mahathir’s deputy, Anwar, had objected to Mirzan’s ‘bailout’, an issue that reputedly contributed to the split between the two leaders.

Mahathir’s controversial dismissal of Anwar as deputy prime minister and UMNO deputy president in September 1998 and the latter’s subsequent arrest under widely-believed trumped-up charges of sexual impropriety and corruption led to the emergence of the *reformasi* (reform) movement. The reformasi quickly evolved into an unlikely coalition that united socialists, Islamists, and social activists. The newly-established multi-party coalition, the *Barisan Alternatif* (BA, or Alternative Front), comprised the leading opposition parties, PAS, and the socialist-oriented, multi-ethnic Democratic Action Party (DAP) which had hitherto been unable to forge a common pact. Anwar’s dismissal helped bring non-governmental organization (NGO) activists into mainstream politics through the formation of the Keadilan, whose members included an UMNO faction.¹⁴ The socialist-based *Parti Rakyat Malaysia* (PRM, or Malaysian People’s Party) was the other component party in the BA. Anwar was declared the *de facto* leader of this new Opposition coalition.

The BA further undermined UMNO’s waning influence in the Malay heartland. During the 1999 general elections, PAS not only retained control of Kelantan, but wrested power of the Terengganu state government from the BN and made considerable inroads into the rest of the Malay heartland. The 1999 elections results in the Malay heartland deeply embarrassed UMNO and eroded Mahathir’s diminishing legitimacy as a Malay leader.¹⁵

Between 1999 and 2004, seven parliamentary and state by-elections were held in the peninsula of which the BA won only two. Although this suggested a decline of the Opposition, one study indicated that the BN had still not managed to retrieve overwhelming Malay support.¹⁶ The two by-elections won by the BA were both in Kedah, Mahathir’s home state, indicating that his controversial leadership remained a problematic issue for UMNO.

¹⁴ In Anwar’s absence, his wife, Wan Azizah Wan Ismail, led Keadilan.

¹⁵ See Weiss (2000), Funston (2000a and 2000b), and Loh and Saravanamuttu (2003).

¹⁶ See Welsh (2004). Traditionally, since the BN is able to focus attention and resources during by-elections, the Opposition faces overwhelming odds to perform well in as such contests.

Malaysia Under Abdullah

Abdullah's Economic and Reform Agenda

Immediately after his appointment as prime minister, Abdullah adopted a populist agenda, voicing his desire to implement policies to help, in particular, the rural poor who had been abandoning UMNO in large numbers since the mid-1990s. One key pledge by Abdullah was that his government would endeavor to eradicate poverty by promoting agriculture, a sector in which many rural Malays were involved in. Unlike Mahathir who was deeply committed to the development of big business, Abdullah actively promoted the development of small- and medium-scale enterprises (SMEs). Abdullah went so far as to suggest that his government would provide big capitalists little support. One issue given much media prominence was the new administration's desire to eradicate corruption, suggesting that this malaise had thrived because of Mahathir's form of selective patronage. Not long after Abdullah's ascendancy to the premiership, one of Mahathir's closest business allies, Eric Chia, who had been appointed to develop Perwaja Steel, an enterprise introduced under the heavy industries initiative, was arrested on charges of criminal breach of trust. By stressing his desire to clean up the state, Abdullah was undermining a key issue emphasized by the Opposition to garner electoral support in 1999.

While it appeared that Abdullah was distancing himself from the excesses of the Mahathir administration and some of the latter's controversial and unpopular developmental plans, the new prime minister had, historically, shown little support for his predecessor's entrepreneurial and industrial agenda. Abdullah had been a member of the so-called 'UMNO Team B' that had controversially challenged Mahathir's presidency of the party in 1987. Team B, led by then Trade & Industry Minister, Tengku Razaleigh Hamzah, and comprising a number of Mahathir's cabinet members, justified this extremely divisive and unprecedented challenge on the grounds that the prime minister's heavy industrial policies and ill-conceived patronage of select businessmen, specifically Daim Zainuddin, had undermined the economy. Mahathir was accused of concentrating decision-making power in a kitchen cabinet comprising his closest associates and businessmen, including Daim, who had been appointed to the post of Finance Minister and UMNO Treasurer in 1984.¹⁷ Razaleigh and many members of Team B, but not Abdullah, formed a new opposition party, *Semangat '46* (Spirit of '46 Party) which, in separate coalitions with the DAP and PAS, posed a serious threat to UMNO during the 1990 general elections.¹⁸

Abdullah had shown little interest in corporate sector, even though his brother and son had emerged as prominent business figures by 2003.¹⁹ While Abdullah may have been genuinely interested in the development of the SME sector, especially as an

¹⁷ See Shamsul (1988) for an in-depth account of this struggle for power in UMNO that nearly led to the unseating of Mahathir as party president and prime minister.

¹⁸ For an analysis of the 1990 general elections, see Khong (1991).

¹⁹ In the late 1980s until the early 1990s, when Abdullah was in the political wilderness following his ouster from mainstream UMNO politics by Mahathir for his involvement in the Team B, he had delved into business, as a travel agent. The business venture was hardly a thriving success.

alternative means to promote the development of Malay enterprise, this new endeavor potentially served as an opportunity for him to dispense patronage at a lower, more discrete level as he attempted to consolidate political power in UMNO. Moreover, this initiative enhanced the reputation he was trying to cultivate as a Malay populist.

Prior to the 2004 elections, the themes of equitable economic development and good governance were publicized as the priorities of Abdullah's government, probably the key issues pre-occupying the minds of the urban middle class and rural Malays, two groups that had supported Keadilan and PAS respectively in the previous election. Following his appointment as Prime Minister, Abdullah established a Royal Commission to review the activities of the Police as part of his campaign to stamp out corruption in public service, called off a RM14 billion railway double-tracking project, apparently linked to businessman well-connected with Mahathir, and directed the Anti-Corruption Agency (ACA) to act without fear or favor to haul up any corrupt individual, both in government and the private sector. In his 10-point election manifesto, the battle against corruption and infrastructure and economic development in the Malay heartland were the dominant campaign issues. In Terengganu, to help promote farming and fisheries, the government stressed that the poor involved in these sectors would be privy to education to help them develop the potential of these sectors. The Eastern Industrial Corridor (EIC) initiatives, stretching from coastal Kelantan to Johor, and encompassing Sabah and Sarawak, a project initiated in the mid-1990s, was to be given a new boost through the promotion of government-aided projects.²⁰

Electoral Trends: 1990 to 2004

During the 2004 Malaysian general elections, the BN secured a massive endorsement, securing victory in 198 out of the 219 parliamentary seats and 453 out of the 504 state assembly seats under contest.²¹ In 2004, the ruling coalition recorded its best ever performance in terms of victory in contests in parliamentary constituencies by capturing about 90 per cent of these seats, up from 75 per cent in 1999. In terms of popular support, the BN secured 64.4 per cent of the vote, still moderately less than the 65 per cent of the vote secured during the 1995 general elections.

The Opposition obtained a respectable 35.36 per cent of the popular vote – PAS secured 15.14 per cent of the vote, Keadilan 8.27 per cent, the DAP 9.78 per cent, and Independent candidates 2.17 per cent. The results indicated that UMNO had rather successfully and remarkably recaptured much of the ground in Malay heartland it had lost to the Opposition, bucking the trend of declining rural Bumiputera support since 1995. The BN recaptured control of the state government of Terengganu from PAS, very narrowly lost the opportunity to regain control of Kelantan, and improved its electoral performance in Kedah, Pahang, and Perlis. A review of the electoral trends between 1995 and 2004 would suggest, however, the BN's electoral victory may only be a false dawn for the coalition in terms of renewed electoral support.

²⁰ See *New Straits Times* 24 March 2004.

²¹ In the 1999 general elections, the BN had lost 42 parliamentary seats and 113 state seats to the Opposition.

Table 1 indicates the share of votes secured by the BN during the 1990, 1995, 1999, and 2004 general elections in Bumiputera-majority areas in the Malay heartland states of Kelantan, Terengganu, and Kedah. In the 31 parliamentary seats listed in Table 1, Malays constitute 80 per cent or more of the electorate. During the 1995 general elections, when the BN secured its best ever electoral victory, Table 1 indicates that between 1990 and 1995, Malay support in Kedah and Terengganu for UMNO had begun to slump. This loss of Malay support in Kedah and Terengganu had occurred even though, between 1990 and 1995, the Malaysian economy had experienced a massive boom and during this period the Opposition coalition comprising PAS and Semangat '46 had begun to encounter serious problems.²² In 1999, compared to the 1995 elections, the BN gained more electoral support in only two of these 31 seats, indicating a further and serious erosion of Malay support. Both these seats where the BN registered an improved performance were in Kelantan, one of which was retained by Razaleigh, who had returned to the UMNO fold. Razaleigh's seat was the only parliamentary constituency in Kelantan won by the BN.²³

Of the 104 parliamentary seats that UMNO contested in the 1999 election, the party secured victory in only about 69 per cent of these constituencies, that is 72 seats. In the 1995 election, UMNO had won 89, or 87 per cent, of the 102 parliamentary seats it contested. This was the first time in UMNO's history that the party commanded less than half the total number of seats in parliament.

In Kedah, the fall in electoral support for the BN between 1995 and 1999 was by more than 4 percentage points in all but one of the nine Bumiputera-majority parliamentary seats. Although the BN retained control of Kedah in the state-level elections,²⁴ PAS won eight of Kedah's parliamentary seats compared to UMNO's victory in only five of the 13 constituencies it contested.²⁵ The largest decline in support for the BN was in Mahathir's Kubang Pasu constituency, and a fall of nearly 11 percentage points between 1990 and 1999. UMNO lost to PAS in seven of these nine Bumiputera-majority seats, but the margin of support the BN secured was between 46 and 49 percentage points, suggesting that a small swing was sufficient for UMNO to retain control of these seats.

²² In spite of this decline in support in the Malay heartland, after the 1995 elections, Mahathir did little to address the economic and social concerns of rural Bumiputeras. For this reason, it is probable that the BN would have faced further erosion of Malay support in many of these Bumiputera-majority constituencies even if Anwar had not been sacked as deputy prime minister. Undoubtedly, however, the manner in which Anwar, who had presented himself as having a more populist orientation, was dismissed, contributed to the scale of Malay swing against UMNO, specifically in Terengganu and Kedah. It is also probable that discontent among the UMNO grassroots over Anwar's dismissal and the choice of party candidates for this general election contributed to the party's poor performance in Kedah and Terengganu. Prior to the 1999 election, PAS had no parliamentary seats in Kedah and only one in Terengganu (down from two in 1990).

²³ Of the 58 parliamentary constituencies where UMNO faced a direct fight with a candidate from PAS, the BN won only four more seats than the Opposition. UMNO barely secured 51 per cent of the popular vote in these 58 parliamentary seats. A majority of the contests between members from PAS and UMNO were in parliamentary constituencies in the Malay heartland.

²⁴ The BN component parties won 24 seats, while PAS won in all the other 12 state constituencies. UMNO won 16 of the 28 state seats it contested in Kedah.

²⁵ The BN's MCA won the two other parliamentary seats in Kedah.

Table 1
Difference in support for the BN in Bumiputera-majority parliamentary constituencies
in the 1990, 1995, 1999, and 2004 general elections (in percentages)

State	1990	1995	Difference	1999	Difference	2004	Difference
Kedah							
Baling	61.4	55.7	-5.7	48.0	-7.7	53.5	5.5
Sik	59.4	53.6	-5.8	49.0	-4.6	50.5	1.5
Jerlun	59.5	53.9	-5.6	49.0	-4.9	52.9	3.9
Padang Terap	58.4	54.4	-4.0	48.0	-6.4	53.9	5.9
Pendang	52.9	51.0	-1.9	46.0	-5.0	49.9	3.9
Yan	57.2	55.7	-1.5	50.0	-5.7		
Kubang Pasu	75.4	74.2	-1.2	65.0	-9.2	67.3	2.3
Kuala Kedah	52.8	52.3	-0.5	49.0	-3.3	58.1	9.1
Pokok Sena	53.8	54.0	0.2	46.0	-8.0	56.9	10.9
Terengganu							
Kemaman	62.9	57.6	-5.0	48.0	-9.6	63.9	15.9
Kuala Nerus	53.6	51.5	-2.1	40.0	-11.5	54.5	14.5
Dungun	54.0	50.5	-3.5	39.0	-11.5	55.1	16.1
Marang	48.2	47.6	-0.6	37.0	-10.6	50.1	13.1
Hulu Terengganu	53.1	52.5	-0.6	43.0	-10.1	59.7	16.7
Setiu	55.7	55.5	-0.2	46.0	-9.5	58.5	12.5
Besut	50.4	54.6	4.2	45.0	-9.6	59.7	14.7
Kuala Terengganu	45.3	53.5	8.2	35.0	-18.5	51.6	16.6
Kelantan							
Tumpat	33.1	46.1	13.0	35.0	-11.1	48.3	13.3
Pengkalan Chepa	26.1	29.6	3.5	25.0	-4.6	41.1	16.1
Rantau Panjang	38.1	40.4	2.3	36.0	-4.4	48.8	12.8
Bachok	32.8	42.0	9.2	38.0	-4.0	53.5	15.5
Kuala Krai	30.8	42.5	11.7	43.0	0.5	53.4	10.4
Kota Baru	29.3	41.6	12.3	38.0	-3.6	51.9	13.9
Pasir Mas	33.9	44.3	10.4	39.0	-5.3	40.7	1.7
Tanah Merah	33.7	46.9	13.2	43.0	-3.9	54.3	11.3
Pasir Puteh	35.0	44.1	9.1	40.0	-4.1	46.2	6.2
Machang	32.6	43.4	10.8	40.0	-3.4	50.2	10.2
Peringat	35.3	50.5	15.2	43.0	-7.5	--	--
Gua Musang	22.7	21.9	-0.8	56.0	34.1	66.1	10.1
Jeli*	--	51.1	--	49.0	-2.1	63.8	14.8
Kubang Kerian*	--	33.5	--	27.0	-6.5	42.4	15.4

* New seats in the 1995 general elections

During the 2004 general elections, following the departure of Mahathir as prime minister, the BN recorded an increase in support in all nine constituencies, and secured control of all but one of the Malay-majority parliamentary seats in Kedah. The swing in support to UMNO increased appreciably ranging from 10.9 percentage points (in Pokok Sena) to 1.5 percentage points (in Sik). However, in all but one seat, UMNO secured less than 58 per cent of the popular vote, and in five of these constituencies, the BN support was less than 54 per cent. This suggested that a small swing in favor of the Opposition in the next election would be sufficient for it to again undermine UMNO's territorial gains in the 2004 election. In all these Malay-majority parliamentary seats in Kedah, the BN's main opposition is PAS, indicating that the Islamic party remains an influential force in Kedah.

In Terengganu, diminished Malay electoral support for the BN between 1990 and 1999 was even more striking, with an almost double-digit percentage point fall in support in all constituencies, contributing to the BN's loss of control of the state to PAS in the previous general election. In 1999, UMNO did not win any of the eight parliamentary seats it contested in Terengganu.²⁶ In Dungun, for example, the fall in support for the BN between 1990 and 1999 was a massive 15 percentage points, while in Kemaman it was 14.6 percentage points, Kuala Nerus 13.6 percentage points, Marang 11.2 percentage points, Hulu Terengganu 10.7 percentage points, and Setiu 9.7 percentage points. During the 1999 general elections, in the constituency of Kuala Terengganu, the fall in support for BN that year was a colossal 18.5 percentage points! In six of these eight constituencies, the BN's level of support was less than 45 per cent of the popular vote, suggesting then the ruling coalition faced an uphill struggle to regain control of the state government in Terengganu in the next election.

For this reason, the BN's capture of the Terengganu state government during the 2004 elections was an extraordinary achievement. The swing in support from the Opposition to the BN in all parliamentary seats was in double digit figures ranging from 16.7 percentage points (in Hulu Terengganu) to 12.5 percentage points (in Setiu). However, in four of these eight seats, the BN's margin of victory was less than 5 percentage points, again suggesting that while the BN had recovered much ground, UMNO could still lose support in the future if the government it led did not deliver on its pledges.

The BN's performance was almost as impressive in PAS's stronghold of Kelantan as it was in Terengganu in 2004. A comparison, however, of the voting trends in Kelantan during the elections in 1999 and 1990 (when UMNO failed to win a single parliamentary and state seat) indicates that, in a majority of the state's parliamentary seats, the proportion of Malay support for the BN was higher in 1999.²⁷ During the 2004 elections, the BN further improved its performance, registering an increase in support in all parliamentary constituencies in Kelantan. In 11 of the 13 parliamentary seats under review, the increase in support was in double digit figures. The percentage point increase ranged from 16.1 (in Pengkalan Chepa) to 10.1 (in Gua Musang), to 6.2 (Pasir Puteh). In only one constituency, Pasir Mas, was the margin of increase of support below 5 percentage points, that is a mere 1.7.

²⁶ Of the 31 state seats in Terengganu that UMNO contested, the party won in only four constituencies.

²⁷ The BN secured two seats in the state-level election in Kelantan in 1999.

Table 1 also indicates that during the period 1990 and 1995, UMNO had managed to regain lost ground (following the emergence of Semangat '46 which had helped PAS secure control of Kelantan in 1990). In 1999, however, in spite of the return of Razaleigh to UMNO, but following the Anwar debacle that undermined Mahathir's legitimacy, the BN again registered a loss of support in all but two constituencies, Bachok (0.5 percentage point increase) and Gua Musang (a massive 34.1 percentage point increase); Gua Musang is Razaleigh's constituency. In 1999, the BN's level of popular support in 12 of the 14 parliamentary constituencies was between a mere 25 per cent and 43 per cent. Under these circumstances, the BN's victory in seven of the 13 constituencies in 2004 suggested a major return of support for UMNO. However, in all but two of these seven constituencies won by the BN, the margin of victory was by less than 5 percentage points, again suggesting that UMNO's position in Kelantan was still quite tenuous.

PAS's performance in 2004, in terms of seats in the new parliament, was dismal, dropping from 27 to a mere seven, a severe regression for a party seemingly on the rise. Six of these victories were recorded in Kelantan, the remaining one in Kedah. PAS failed to win a single parliamentary seat in Terengganu, a major reversal of its fortunes compared to 1999 when the party denied the BN representation in any of the eight constituencies in this state. The Islamic party was not able to win a single seat in Perlis, Selangor, and Pahang, states in which PAS was reputed to be growing in influence.

The results for PAS were similarly dire in the state-level elections. While the Islamic party had a total of 98 state seats going into the 2004 elections, its total was reduced appreciably to a mere 36 when the results were declared. Although PAS had the largest number of seats among the Opposition, 24 of these victories were in Kelantan. Of the remaining 12 seats under PAS, five were in Kedah, four in Terengganu, and one each in Perlis, Penang, and Johor. The victory in Johor was by default when the BN's nomination papers were rejected on technical grounds. Following the 1999 elections, PAS had 41 state seats in Kelantan, 28 in Terengganu, 12 in Kedah, and three in Perlis. The party was not able to secure any representation in Pahang, where it had control of six seats going into the election, in Selangor, where it had four assemblymen after the 1999 state elections or in Perak where it previously had three representatives in the state assembly. In Kelantan, of the 24 seats won by PAS, in five of these constituencies, BN was narrowly defeated by razor thin majorities of less than 100 votes. In seven other constituencies, PAS's margin of victory was by less than 1,000 votes. According to one estimate, PAS's support in the Malay heartland fell by about 11 percentage points between 1999 and 2004, from 56 per cent to 45 per cent.²⁸

Table 2 shows the difference in voter-support for the BN in Chinese-majority parliamentary constituencies between 1990 and 2004. In these constituencies, the Chinese constitute at least 45 per cent of the electorate.²⁹ The percentage point difference in votes secured by the BN between the 1990 and 1995 general elections indicates a substantial Chinese swing to the coalition during this period. This was due primarily to the consistent growth rates recorded by the Malaysian economy during the early 1990s. Apart from this, the government's economic and cultural liberalization policies introduced since the early 1990s helped the BN secure enormous Chinese support.

²⁸ See *New Straits Times* 28 March 2004.

²⁹ These figures do not include the Indian or other non-Bumiputera communities.

Table 2
Difference in support for the BN in Chinese-majority parliamentary constituencies
in the 1990, 1995, 1999, 2004 general elections (in percentages)
(in parenthesis – opposition party contesting in constituency)

State	Percentage of Chinese electorate, 1995	1990	1995	Difference	1999	Difference	2004	Difference
Penang								
Tanjong (D)	87.0	29.1	40.7	11.1	45.0	4.3	44.8	-0.2
Bukit Bendera (D)	73.8	36.6	51.8	15.1	50.0	-1.8	61.7	11.7
Bukit Mertajam (D)	67.3	46.7	60.9	14.1	47.0	-13.9	40.2	-6.8
Jelutong (D)	65.3	39.2	48.2	9.0	51.0	2.8	58.8	7.8
Bagan (D)	64.4	45.9	48.7	2.8	47.4	-1.3	45.7	-1.7
Bayan Baru (K)	64.3	46.6	54.5	7.8	58.0	3.5	73.6	15.6
Nibong Tebal (K)	48.0	50.7	59.4	8.8	46.6	-12.9	59.5	12.9
Perak								
Ipoh Timur (D)	86.0	40.6	49.4	8.8	52.0	2.6	39.8	-12.2
Ipoh Barat* (D)	66.3	--	54.2	--	54.0	-0.2	49.3	-4.7
Batu Gajah (D)	75.7	37.1	50.5	13.4	47.0	-3.5	41.9	-5.1
Kampar (D)	61.2	48.1	65.6	17.5	59.7	-5.9	62.9	3.2
Beruas (D)	52.7	50.1	65.9	15.8	52.0	-13.9	58.4	6.4
Gopeng (K)	50.8	60.6	71.0	10.4	57.5	-13.5	65.8	8.3
Lumut (K)	45.4	50.9	77.9	27.0	50.7	-27.2	63.4	12.7
Teluk Intan (K/D)	45.1	51.5	65.5	13.9	54.0	-11.5	55.5	1.5
Johor								
Senai Bakri (D)	57.9	54.7	69.3	14.6	68.7	-0.6	--	
Kluang (D)	55.1	52.5	60.5	8.0	68.0	7.5	74.1	6.1
	49.2	52.4	70.6	18.2	71.0	0.4	69.8	-1.2

Gelang Patah* (K)	49.2	--	72.1	--	74.0	1.9	81.5	7.5
Segamat (D)	47.9	51.7	68.4	16.7	62.0	-6.4	63.9	1.9
Pontian (K)	46.9	58.4	83.4	25.0	82.0	-1.4	82.9	0.9
Labis (D)	45.4	56.6	69.8	13.2	71.0	1.2	74.2	3.2
Kuala Lumpur								
Kepong (D)	93.5	29.2	44.2	15.0	47.2	3.0	47.9	0.7
Seputeh (D)	90.6	28.7	43.7	14.9	44.5	0.8	37.6	-6.9
Cheras (D)	84.1	40.0	33.5	-6.5	40.0	6.5	37.2	-2.8
Bukit Bintang (D)	79.5	20.8	41.5	20.7	48.0	6.5	48.0	0.0
Segambut* (D)	52.6	--	65.9	--	60.0	-5.9	71.6	11.6
Selangor								
Serdang (D)	56.6	45.8	54.3	8.6	53.0	-1.3	59.8	6.8
Klang (D)	55.4	42.0	52.1	10.1	54.6	2.5	63.0	8.4
PJ	50.5	--	61.3	--	54.0	-7.3	66.6	12.6
Selantan* (K)								
Negeri Sembilan								
Rasah (D)	60.0	51.4	58.1	6.8	51.0	-7.1	55.0	4.0
Seremban (D)	45.0	48.3	62.1	13.8	58.0	-4.1	64.3	6.3
Telok Kemang (D)	45.0	66.6	72.1	5.5	61.0	-11.1	72.7	11.7
Malacca								
Kota Melaka (D)	66.7	35.6	44.0	8.4	42.0	-2.0	50.2	8.2
Pahang								
Bentong (D)	45.0	65.7	73.6	7.9	65.0	-8.6	72.5	7.5
Kedah								
Alor Setar (K)	46.0	54.3	68.6	14.3	68.0	-0.6	67.2	-0.8

* New seats in the 1995 general elections

D – DAP; K – Keadilan

Although it is widely assumed that the BN obtained considerable Chinese support in the 1999 elections, a comparison of the results between 1995 and 1999 reveals a considerable fall in support for the BN in 64 per cent, or nearly two-thirds, of these Chinese-majority constituencies. However, Table 2 also indicates that in 1999, although the BA won the Chinese-stronghold seats of Bukit Bintang, Seputeh, Cheras, and Kepong in the Federal Territory of Kuala Lumpur, all contested by the DAP, the BN managed to secure increased support in these areas.³⁰ In the 2004 elections, however, the BN registered an increase in support in 24 constituencies and a decline in only 10. In one constituency, Bukit Bintang in Kuala Lumpur, there was no change in support for either the BN or the Opposition, with the DAP retaining this constituency. In all but one of the 10 constituencies that the BN registered a decline in support, the Opposition it faced was the DAP. This suggested a marked improvement in the DAP's electoral performance compared to 1999.

Keadilan, on the other hand, reduced the BN's support only in Alor Setar in Kedah, but even here the percentage point decline was a mere 0.8. This suggested that in Chinese-majority constituencies, Keadilan – in the BA with PAS – was facing much difficulty garnering support. The DAP appeared to have fared much better among the Chinese electorate after its departure from the BA, but this statement needs to be qualified. In the seven Chinese-majority constituencies that the DAP contested in Penang, the BN recorded a major margin of increase in four constituencies, ranging from 7.8 to 15.6 percentage points. In Malacca, the DAP lost its stronghold seat of Kota Melaka, whose member of parliament was its secretary-general, Kerk Kim Hock, albeit by a slim margin of 219 votes.³¹

In the 15 constituencies in Perak and Penang, the Opposition recorded an improved performance in only seven contests in 2004. However, during the 1999 elections, the Opposition had recorded an improved performance in 11 of these 15 constituencies, suggesting increased Chinese support for the BN.³² These results were replicated in the BN's stronghold state of Johor. In 1999, in Johor, even though the proportion of popular support for the BN was 70.55 per cent, the highest in the country, the ruling coalition registered an erosion of support in four of seven Chinese-majority constituencies. In 2004, the BN improved its performance in all but one constituency. In the five constituencies in the Federal Territory of Kuala Lumpur, the results were mixed, with the Opposition – all these seats were contested by the DAP – registering an improved performance in two seats and a decline in another two; there was no change in

³⁰ In Penang, where ethnic Chinese are the majority population, the BN obtained 51.4 per cent of the total votes cast. In Perak, another state with a large Chinese population, the BN secured about 55 per cent of the popular support. In Selangor, Negeri Sembilan, and Johor, all states with a large Chinese electorate, the BN secured victories in all the parliamentary seats under contest.

³¹ This was the first time in 35 years that the DAP had lost control of the Kota Melaka constituency. Kerk resigned from his position in the DAP following this defeat.

³² In Penang in 1999, the Opposition had improved its performance compared to the 1995 elections. While in 1999 the BN secured victories in six of the 11 parliamentary constituencies, in the 1995 elections, the ruling coalition won eight of these 11 constituencies. In the state level election in Penang, the Opposition won three seats, two more than the number it held after the 1995 elections.

one constituency. In the three constituencies in Selangor, the Opposition registered a very poor performance, losing an appreciable volume of support to the BN. In Negeri Sembilan, the BN not only continued to retain control of all three Chinese-majority constituencies, it registered a marked increase in electoral support. During the 1999 elections, there had been a marked drop in electoral support for the BN in all these three constituencies.

Among the Opposition, the DAP was the only party that recorded a rise in number of seats won, compared to the 1999 elections. The DAP had nominees running in 44 parliamentary constituencies and 106 state seats. The DAP's representation in parliament rose from 10 to 12, while in the state level elections, the number of the party's assemblymen nationwide increased from 11 to 15. The electorate returned to parliament DAP stalwarts Lim Kit Siang and Karpal Singh, the former winning the Ipoh Timur seat in Perak and the latter narrowly victorious in Bukit Gelugor in Penang; both had been rejected in 1999 in Penang. The DAP's best performance was in Perak where the party won seven state seats, where previously it had four seats. But otherwise, the DAP's performance in the other state assemblies was dismal – two each in Malacca, Negeri Sembilan, and Selangor, and one each in Penang and Pahang. In Negeri Sembilan, however, the Opposition had no representation in the state assembly before the 2004 elections and in Selangor the DAP increased its representation by one. In Malacca though, the DAP had four seats after the 1999 elections, indicating a loss of support. The DAP had no representation in any of the Malay heartland states of Kelantan, Kedah, Terengganu, and Perlis, indicating its limited capacity to mobilize Bumiputera support. The electoral results for the DAP was mixed, at best, with marginal gains in some states, but overall, its departure from the BA had not contributed to a return of support of the type it commanded during, say, the 1990 general elections, when it recorded its best ever electoral victory, capturing 20 parliamentary seats and 45 state seats.³³

The DAP's performance in some prominent urban, predominantly middle class, seats once considered their stronghold indicated its position with the electorate. In Petaling Jaya Utara, a Kuala Lumpur suburb, the incumbent MCA candidate increased her margin of victory against the DAP nominee by more than 15,000 votes. The number of seats won by the Gerakan and MCA combined increased from 35 in 1999 to 41 in 2004. The DAP also lost further ground to the BN in traditional strongholds like Bukit Bendera and Bayan Baru (in Penang), Kampar and Teluk Intan (in Perak), and in Klang and Serdang (in Selangor).

Keadilan probably fared the worst among the Opposition, winning – very narrowly – just one of the 58 parliamentary seats it contested, that is Permatang Pauh, formerly held by Anwar and represented by his wife and Keadilan president, Wan Azizah. The party did not win any of the 121 state seats it contested. Following the 1999 elections, Keadilan had five representatives in parliament and control of four state seats. As Table 2 indicates, of the nine Chinese-majority parliamentary constituencies that Keadilan contested, the party registered an increase in support in only one, in Alor Setar in Kedah, and that too by a mere 0.8 percentage points. Keadilan recorded an appreciable decline in support in urban middle class areas like PJ Selatan, where the party was expected to be received more favorably. In this constituency, although the Keadilan's candidate was a senior party leader and a prominent human rights lawyer, the party

³³ See Khong (1991).

decline in support was by nearly 13 percentage points compared to 1999. In the last election, the Opposition had managed to reduce the BN's majority by nearly 8 percentage points in this constituency.

The situation was similarly dire for Keadilan in other urban constituencies like Bayan Baru and Nibong Tebal in Penang where the decline in support was by 15.6 and 12.9 percentage points respectively; in Gopeng and Lumut in Perak by 8.3 and 12.7 percentage points respectively; and in Gelang Patah in Johor by 7.5 percentage points. Keadilan had, however, contested primarily in constituencies that could be considered 'mixed' areas, seats normally retained by the BN with ease.³⁴ Among Kuala Lumpur's large middle-class population, where the BA, particularly Keadilan, was reputed to have some support, the party was unable to secure substantial support, losing all the seats in the city area that it contested. The 2004 elections results suggested that Keadilan had lost much of the urban middle class electorate – and the non-Bumiputera community – support that it had secured in 1999.

Following the 2004 general elections, Keadilan leaders blamed PAS, and the latter's stand on promoting an Islamic state in Malaysia, for its disastrous showing in the polls. According to Abdul Razak Ahmad, Keadilan's Johor leader, "They (PAS) failed to see that Malaysia is a multi-racial country and they would frighten people, including the Muslims in Johor who are a moderate group of believers".³⁵ Razak also attributed Keadilan's poor performance to the dissipation of the '*reformasi* spirit' and the disunity among Opposition, drawing specific attention to the departure of the DAP from the BA.³⁶

Opposition Decline or Support for Reform?

The 2004 electoral trends reflect a number of pertinent issues. First, the results suggest that the BA does not appear to be a viable alternative to many Malaysians, an issue that became apparent following the 1999 elections.³⁷ While analysts of the 1999 elections had argued that the 'split' among the Malays had contributed to UMNO's loss of Bumiputera support to PAS in the economically less-developed Malay heartland, the BN maintained the community's support in the southern states of the peninsula. Although this indicated intra-ethnic Malay class dichotomies, the 2004 results also suggest that the BA, and the ostensibly multi-racial Keadilan in particular, could not muster support in more economically developed mixed constituencies.

A similar ambivalence is apparent among the Chinese electorate. While Chinese support for the BN in 1999 had declined compared to the 1995 elections, the 2004 results show a small swing back to the ruling coalition even though the DAP garnered two more parliamentary seats. Gerakan lost only two of the 12 parliamentary seats it contested – in the DAP strongholds of Tanjung, in Penang, and Kepong in KL Federal Territory – and just one of the 31 state seats – in Traing in Pahang – where it fielded candidates. As in the

³⁴ See Loh (2003). In 'mixed' constituencies, the division of the electorate along Bumiputera and non-Bumiputera lines is almost equal.

³⁵ *The Star* 25 March 2004

³⁶ *The Star* 25 March 2004

³⁷ See Gomez (2004).

case of the DAP, Gerakan's electorate performance improved in 2004, with the party increasing its parliamentary seats from seven to 10 while the number of its state assemblymen rose from 21 to 30. In Chinese-majority Penang, Gerakan won all the 13 state seats it contested, yet it lost a parliamentary seat in this state. The MCA contested 40 parliamentary seats and won 31, and secured victory in 76 of the 90 state seats where it put up candidates. Going into the 2004 elections, the MCA had 28 parliamentary seats. In Penang, the MCA won nine of the 10 state seats it contested, yet three of its four parliamentary candidates lost out to the Opposition. Since the BN and BA have not managed to secure mass Bumiputera support and the Chinese were reluctant to support the Opposition in 1999 but did not stand firmly behind the ruling coalition in 2004, this indicates a need for political parties to consider institutional and organizational reforms.³⁸

Second, the 2004 results support the contention that Mahathir's development plans appear to have steadily alienated poor rural Malays from the early 1990s, while UMNO's failure to redress this problem contributed to the rise of PAS. Abdullah's economic reform pledge probably was sufficient for UMNO to retrieve the support of much of this community. In 1999, UMNO's decline in Bumiputera support generally, i.e. including among the urban, middle class electorate, was attributed to rampant corruption and abuse of power for vested political and economic interests. Abdullah's well-publicized image as a 'clean politician' and his promise to deal stringently with corruption in government and business and rid UMNO of money politics was probably sufficient to effectively undermine a key issue adopted by Keadilan to muster support.

Third, the BN's phenomenal victory in the 2004 elections was primarily due to the problems within the Opposition, specifically their inability to articulate a common stand that could unify Malaysians. The DAP's acrimonious departure from the BA and PAS's continued propagation of a purportedly conservative form of Islam, which alienated non-Muslims, did not help the cause of the Opposition. Keadilan's alliance with PAS had hindered the party's capacity to secure electoral victories in non-Bumiputera areas, reinforcing the issue of the sustainability of the BA that was apparent in 1999. In 2004, even some prominent Keadilan leaders, in their post-mortem of the elections, acknowledged the repercussions of PAS's brand of theocratic politics on their campaign.³⁹

Fourth, while Keadilan's almost total rejection, PAS's abysmal performance, and the DAP's negligible increase in support despite its withdrawal from the BA suggest that the Opposition is a spent force, the results in the Malay heartland indicate that the Islamic party retains some influence. The electoral trends since 1990 reveal that PAS has persistently had about 40 per cent of support in the Malay heartland. A small swing in support is sufficient to allow the BA to regain a dominant presence in Terengganu, re-establish its control in Kelantan, and increase its number of seats the rest of the Malay heartland. In fact, the 2004 results indicate that PAS's share of popular support had increased by 0.8 percentage points, to 15.8 per cent, compared to 1999,⁴⁰ suggesting that the Islamic party remained a serious threat to UMNO. Even though the BN secured

³⁸ See Gomez (2004) for an in-depth discussion on this ambivalence in the voting trends in 1999. The ambivalence in voting patterns in 1999 was attributed to the kind of race- and religion-based politics propagated by the BA and BN.

³⁹ See *The Star* 25 March 2004.

⁴⁰ *New Straits Times* 24 March 2004

control of about 90 per cent of the seats in parliament, UMNO's support in the Malay heartland amounted to only 55 per cent,⁴¹ further indicating that a modest swing would be sufficient for the Opposition to undermine the ruling coalition's electoral gains in 2004.

However, while PAS remains the main opposition to UMNO, the electoral trends over the past 15 years suggest that the Islamic party did not gain ground over the BN because of its ideological stance. PAS's national influence is limited, and it is unable to record electoral gains outside of the Malay world – the party secured a state seat in Johor for the first time in its history by default. Apart from promoting in multi-racial Malaysia a system of governance that is hardly inclusive, PAS has reputedly alienated, through its rather conservative policies, two important groups – women and youths. According to one estimate of the voting pattern of the new 800,000 new predominantly young voters, a majority of them supported the BN. One prominent PAS leader, Harun Din, was quoted, as saying, "I would say that from the early reading of the results, we did not get as many new voters as BN."⁴² UMNO, probably recognizing the alienation of women by PAS, had moved effectively to cultivate the support of this group, including by establishing a new government ministry of women and family development to promote, among other things, gender equality, and by fielding more women candidates in the 2004 elections.

Of the 55 women candidates that the BN fielded in parliamentary and state seats, 49 of them secured victory. 35 of these 55 women candidates were UMNO members, and only four of them failed to secure victory; one lost by default. In the Opposition, however, of the 38 women candidates fielded, only seven won in these contests. Of the 15 women candidates fielded by Keadilan only one won, while just two of the ten PAS fielded secured victories, both in Kelantan. This was the first time since 1969 that PAS has fielded women candidates. The DAP fared much better with four of the nine women candidates it fielded winning seats.⁴³ In urban areas contested by BN women candidates, usually taking on Keadilan, the BA fared very poorly. In Gelang Patah (in Johor), in Ampang (Selangor), and in Lembah Pantai (in the KL Federal Territory), the BN's margin of victory was huge – of approximately 31,600, 15,000, and 14,000 votes respectively. All the ten women candidates fielded by the BN in the Selangor state election won their seats with comfortable majorities.⁴⁴ Meanwhile, prominent BA women candidates fared poorly. The PAS's women's wing deputy president, Lo' Lo' Mohamed Ghazali, lost her bid to win the Bukit Gantang parliamentary seat in Perak while the Keadilan president, Wan Azizah, was nearly unseated in her Permatang Pau constituency in Penang.

The voting trends in 2004 – and in 1999 – suggest important developments in Malaysian society that have not been adequately addressed by the BN and the Opposition though there is increasing recognition by politicians of demographic changes and the need to respond to these new trends. Most political parties in Malaysia have, for example, acknowledged the importance of securing and maintaining the support of the young. After the 1999 elections, among the BN component parties, UMNO and MIC responded to the issue of limited youth support by establishing *Puteri* (young women) wings. The

⁴¹ *New Straits Times* 28 March 2004

⁴² *New Straits Times* 24 March 2004

⁴³ *The Star* 25 March 2004

⁴⁴ The BN Selangor set a new record in state elections by nominating ten women. See *The Malay Mail* 27 March 2004.

leaders of the BN Chinese-based parties, the MCA and Gerakan, have acknowledged that they have faced much difficulty getting young Malaysians to join their parties. These two parties are presently involved in talks about a merger, even considering the possibility of evolving into a multi-racial party.

Among the Opposition, DAP leaders have admitted that the party had not been able to garner the support of the younger generation. The DAP has also been incapable of getting young Malaysians to join the party in large numbers. Probably in recognition of this problem, after the 2004 elections, Lim Kit Siang proposed a merger between the DAP and Keadilan, claiming that this would help the Opposition transcend the politics of race and religion which had been rejected by the electorate. The proposed merged enterprise, seen by Lim as a secular democratic platform, served as a means to regain urban, especially Malay, support to complement the Chinese support that the DAP could still muster. Lim is quoted as saying: "The DAP is prepared to work closely and fully with Keadilan to preserve and promote the 46-year Merdeka social contract of Malaysia as a secular democracy with Islam as the official religion, but not an Islamic state, if it is prepared to leave the Barisan Alternative which is compromised by PAS's Islamic state document."⁴⁵ Keadilan made a non-committal response – it welcomed mergers with multi-racial parties, but without any conditions attached.⁴⁶

This acknowledgement by BN and BA leaders of the need for institutional reforms to accommodate important transitions in society is probably attributable to the need for them to remain relevant to the Malaysian electorate. A number of studies have begun to highlight the profound changes that have transpired in Malaysian society, especially in terms of 'identity formation' among the younger electorate.⁴⁷ These changes in Malaysian society have been conceptualized as 'new politics',⁴⁸ though it could also be seen as the emergence of 'new identities',⁴⁹ involving differences along generational lines in the way Malaysians view and understand national and ethnic identities.

The challenge for the Opposition – and the BN – is to recognize the changing configurations in society and to create an institutional structure that is acceptable to a majority of Malaysians. If these institutional reforms are not instituted, in future the Opposition may only manage to secure a meaningful presence in parliament and the state assemblies if the electorate refuses to vote for the BN for failing to deliver on its campaign pledges. To the Opposition's further detriment, some BN component parties have commenced discussions on institutional reforms and Prime Minister Abdullah has been actively promoting the idea of the creation of a 'Malaysian identity' as opposed to discourses along religious and racial lines. In these circumstances, if the Opposition hopes to stem further loss of support, it needs to commence immediately meaningful and inclusive-based institutional reforms.

⁴⁵ *The Sun* 25 March 2004

⁴⁶ *The Star* 25 March 2004

⁴⁷ See, for example, Nair (1999), Shamsul (1999), Gomez (1999b), Abdul Rahman (2002), Loh and Saravanamuttu (2003), and Mandal (2004).

⁴⁸ Loh and Saravanamuttu (2003).

⁴⁹ For a discussion on the concept of 'new identities' – and 'new ethnicities' – adopted in an analysis of identity transformation in Britain, see Hall (1992).

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