

Malaysian election presages deeper political crisis

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Malaysia's general election held on November 19 and the subsequent swearing-in of Anwar Ibrahim as the new prime minister last Thursday mark a further fracturing of the country's political establishment and presage new political upheavals.

None of the three major electoral coalitions—Anwar's Pakatan Harapan (PH), Perikatan Nasional (PN) and Barisan Nasional (BN)—obtained a parliamentary majority, leading to days of crass political horse-trading and closed-door discussions in ruling circles.

Anwar was finally installed by royal decree based on coalition agreements with BN and Gabungan Parti Sarawak—a party based in Borneo.

The extent of the political crisis is underscored by the fate of the right-wing United Malays National Organisation (UMNO), which, as the dominant party in BN alliance, had governed from 1957 to 2018 through a combination of electoral gerrymander, police state measures, control over the media and state apparatus, and the promotion of ethnic Malay chauvinism.

UMNO's loss of power in the 2018 general election marked a political watershed and ushered in four years of turmoil. Anwar's PH won the election in a cynical electoral pact with former prime minister Mahathir Mohammad who broke from UMNO accusing it of corruption, failing to sufficiently support ethnic Malays, and pandering to China.

The alliance was inherently unstable. Amid the 1998-99 Asian financial crisis, Mahathir as prime minister had broken with Anwar, then deputy prime minister and financial minister, over economic policy—Anwar pressed for the adoption of the IMF's severe pro-market restructuring, which Mahathir rejected as it would devastate UMNO's ethnic Malay business cronies. Mahathir expelled Anwar and his supporters, then had him arrested, beaten up and jailed on trumped up charges after Anwar initiated anti-government rallies.

Under the 2018 electoral pact, Mahathir was made prime minister even though his Bersatu party held a relatively small number of seats; he was meant to hand over the

leadership to Anwar within two years—an agreement that was never going to be kept. Political intrigues came to a head in 2020 when the pact between PH and Bersatu fell apart—with Bersatu and several PH factions, including the Islamist Parti Islam se-Malaysia (PAS), joining with UMNO and its allies to form another unstable government with Bersatu's Muhyiddin Yassin as prime minister.

The Bersatu-led regime imploded in 2021 amid soaring COVID-19 cases and a deep crisis of the health system, replaced by an equally unstable UMNO-led coalition with its leader Ismail Sabri Yaakob as prime minister. His calculation that UMNO would gain from an early snap election backfired badly—the party that ruled Malaysia for six decades with its BN allies was reduced to a rump of just 30 seats in the 222-seat parliament.

Nor did Anwar's PH alliance make gains—in fact, it won just 82 seats, down from 100 in the 2018 election. Anwar sought to portray PH as a progressive alternative to UMNO and BN, opposing its anti-ethnic Chinese and anti-ethnic Indian discrimination, its police state measures and promoting a new inclusive, multi-cultural Malaysia to attract youth, in particular. This general election was the first in which 18-20 year-olds had a vote.

Nevertheless, Anwar willingness to ally with Malay-chauvinist parties—first the Islamist PAS, then Mahathir and now an open coalition with the widely despised UMNO—has severely tarnished this image. Indeed, its other coalition partner—Gabungan Parti Sarawak—was formed from UMNO allies in Sarawak after the 2018 defeat.

Anwar has been installed with the backing of significant sections of the ruling class amid the country's mounting economic and social crisis. Malaysia's economy is expected to grow by just 4 to 5 percent next year, compared with more than 7 percent in 2022. Moreover, it is just recovering from the economic impact of the COVID-19 pandemic, which in 2020 led to a huge 10 percent fall in economic growth to register negative 5.6 percent for the year.

As is the case around the world, inflation is hitting the working class hard with real wages falling. Despite

government price subsidies, the cost of living increased by 4 percent in October. Food inflation, which hits the poorest layers of working people hardest, is significantly higher, reaching 7.1 percent in October. In 2022, according to one survey, salaries increased by just over 5 percent.

Official figures disguise the extent of the social crisis. Barjoyai Bardai, professor emeritus at Universiti Tun Abdul Razak, estimates that real inflation in Malaysia is 11 percent. Meanwhile, a survey by the consultancy ECA International expects salaries to rise by just 2.2 percent next year.

While reports of strikes and protests are limited, there are signs of growing social unrest. In July, hundreds of students protested demanding price controls and subsidies for food. Some reported skipping meals, with one telling *Channel News Asia*: “Our food security is threatened... I feel a bit frustrated to see how the government isn’t taking any action.”

In early August, thousands of food delivery riders held a 24-hour nation-wide strike to demand higher levels of compensation. In late August, the conservative Malaysian Trades Union Congress (MTUC) threatened to take action over the low wages and conditions of cleaners and security guards in schools and public buildings, reflecting far deeper underlying discontent.

In a bid to appeal to ethnic Malays, as well as to exploit widespread discontent over declining living conditions, Anwar told an election rally: “People say ‘Long live the Malays’ but majority Malays are poor and face hardship. Only those at the top enjoy a good life. I want to be a prime minister for everyone.”

In reality, the new government has no solution to the social crisis. Indeed, Anwar’s commitment to pro-market restructuring will impose new economic burdens on working people. Significantly, when Anwar’s selection as prime minister was announced, the Malaysian currency rallied by 1.8 percent and domestic share prices surged by 4 percent.

Geoffrey Williams, an economist at the Malaysia University of Science and Technology, told *Al Jazeera* he expects Anwar will run a pro-market administration, with cuts to welfare programs: “There will be fewer handout-based policies and more structured long-term solutions. I also think he will offer a very attractive prospective for international investors and financial markets.”

Insofar as Anwar’s PH addressed the issue of food inflation, its policies are pitched to big business, promising tax incentives for companies producing basic foods, and special grants and loans to increase the use of technology in the agricultural sector.

The COVID-19 pandemic, which led to the collapse of the Bersatu-led government last year, is again surging. According to the director-general of health, during the

election campaign, there was an increase of more than 57 percent in new weekly cases from 16,917 in the last week of October to 26,616 in the first week of November. Several parliamentary candidates tested positive.

None of the parties supports a policy of elimination. On October 31, caretaker health minister Khairy Jamaluddin said mask wearing in crowded areas was “highly encouraged” but “still voluntary” despite a 14 per cent increase in the number of people being admitted to hospital in the space of one week.

The election manifestos of PH, as well as of its new ally BN, promised to increase public healthcare spending from the current 2.6 percent of GDP to 5 percent within five years. Neither explained how the doubling of public health spending would be funded.

The latest government headed by Anwar, which is riven with deep political differences, will be no more stable than any of the others over the past four years. Incapable of addressing the social needs of working people, it will undoubtedly begin to fracture—sooner, rather than later.

Waiting in the wings is the third electoral coalition, dominated by Bersatu and the right-wing Islamist PAS, that won 73 seats. PAS was the only party to make significant electoral gains, pushing its reactionary mix of Malay chauvinism and calls for sharia law. It has extended its influence from its largely rural strongholds in the east of the Malaysian peninsula to so-called liberal bastions in the west such as Penang, winning 49 seats compared to just 17 prior to the election.

The communal politics of the Malaysian political establishment has proven to be nothing but a disaster for working people. Workers and youth should reject attempts to blame their Chinese, or Malay, or Indian brothers and sisters for the worsening social crisis, which is the product of the capitalist system that every party defends to the hilt. They need to strike out on a new political road, fighting for the unity of the working class in Malaysia and internationally to abolish the bankrupt profit system on the basis of a socialist program.



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