

Jail term halved for former Malaysian prime minister

Kurt Brown

16 February 2024

In early February, Malaysia's federal royal pardons board halved the original 12-year prison sentence for former Malaysian prime minister Najib Razak, who was convicted of corruption. In addition, the fines imposed on Najib were reduced to one quarter of their original amount, from RM210 million to RM50 million (\$US10.6 million). The royal pardons board, comprised of the outgoing Malaysian king, the federal attorney general and four other ministers, gave no reason for its decision.

The partial pardon of Najib follows around six months of bitter political infighting within Malaysia's ruling elite—a continuation of the deep instability gripping Malaysian politics.

Najib was tried on corruption charges relating to the plundering of public funds from the Malaysian state investment fund, 1MDB. It was alleged that \$US4.5 billion had been stolen from 1MDB, with approximately \$700 million flowing into Najib's personal bank accounts. In September 2020, 1MDB's outstanding debts were estimated to be \$7.8 billion, payable by the Malaysian government.

Najib was eventually convicted on seven charges related to laundering RM42 million from SRC International, a subsidiary of 1MDB. The conviction was appealed but upheld in August 2022, at which point Najib commenced serving his sentence, as well as launching a bid for a royal pardon. With his sentence halved, Najib could now walk free by August 2028.

Cynthia Gabriel, founder of the Centre to Combat Corruption and Cronyism, stated on X/Twitter: "A travesty of justice. Nothing less." So far, leader of the opposition Perikatan Nasional (PN) coalition, Hamzah Zainudin, has said nothing. In April 2023, however, Hamzah stated that he supported a royal pardon for Najib.

Najib was leader of the right-wing United Malays National Organisation (UMNO). UMNO led alliances that ruled Malaysia from formal independence in 1957 through to May 2018. This was achieved through a combination of gerrymandering, autocratic methods of rule, domination of the media and state apparatus and the promotion of ethnic Malay chauvinism at the expense of the country's ethnic Chinese and Indian minorities.

Najib was prime minister between 2009 and 2018. The shock collapse of UMNO in 2018 was due to anger stemming primarily from the 1MDB corruption scandal and stark levels of social inequality. The decision to halve Najib's sentence further destabilises the already unstable political situation in Malaysia.

Prime Minister Anwar Ibrahim, who leads the ruling Pakatan

Harapan coalition government, denied any involvement in the halving of Najib's sentence. In an interview with Al Jazeera, he unconvincingly declared: "It's beyond the Prime Minister or the government. I respect the decision of the then-king."

Anwar's coalition, however, is highly unstable, with significant differences between component parties. It is dependent on UMNO, a member of the ruling coalition, to maintain a convincing majority in the lower house of parliament.

Anwar was installed as prime minister in November 2022 with the backing of powerful sections of the Malaysian ruling class, effectively tasked with undertaking austerity measures and pro-market restructuring.

Malaysians face rising prices, partly due to shortages stemming from the Ukraine war and a rapid fall in the ringgit. To partially alleviate cost of living increases, various subsidies were introduced during the onset of the COVID-19 pandemic.

The Anwar government, however, has embarked on a program to remove subsidies and broaden taxes. This is to increase government revenue to pay off mounting debt. For example, chicken price subsidies were removed in October with prices rising by as much as 17 percent in November. Chicken is a staple protein in Malaysia.

The Pakatan Harapan coalition suffered significant losses in six state elections held on August 12, 2023, going from 144 to 99 out of 245 seats. The swing against the ruling coalition derived from widespread hostility over its failure to provide the economic relief promised during the campaign for 2022 federal election. As well, the opposition PN coalition ran a right-wing Malay chauvinist campaign, claiming that the Anwar government was eroding so-called Malay privileges.

In online commentary published on August 17, former UMNO health minister Khairy Jamaluddin speculated on the way forward for the ruling coalition. He noted that Anwar "could stick to the current path and head into the next general elections [due by late 2027] by working with UMNO and even consider recommending a Royal Pardon for former Prime Minister Najib Razak who retains considerable support within the party. Alternatively, he could effect a parting of ways with UMNO and adopt other options."

Khairy, the son-in-law of former Malaysian Prime Minister Abdullah Ahmad Badawi, was a UMNO youth leader and a contender for party leadership until his expulsion by UMNO in January 2023.

It appears that Anwar and Pakatan Harapan, at present at least,

are following the first of the two options canvassed by Khairy by seeking to retain the services of UMNO in order to shore up support among ethnic Malays.

On September 4, 47 corruption charges against co-deputy prime minister and leader of UMNO President Ahmad Zahid Hamidi were dropped. This was at the request of the attorney general, citing the need to investigate the case in depth. In January 2022, however, the court noted that sufficient evidence had been presented by the prosecution for the case to proceed.

Within one week of the charges being dropped, an independent member of the Pakatan Harapan coalition, 30-year-old Syed Saddiq Syed Abdul Rahman, withdrew his support in favour of the opposition, claiming concerns over corruption.

As a result of Syed Saddiq's switching of allegiance to the opposition, Pakatan Harapan's parliamentary seat count dropped to 147 out of 222 in the lower house. This was made up of 81 seats for those component parties closest to Anwar, 30 seats for the UMNO-led coalition, 29 seats for the East Malaysian parties and seven seats for various independents. Crucially, this was one seat short of the two-thirds majority necessary for passing constitutional changes.

Two months later, a case filed in 2021 concluded on November 9 with Syed Saddiq receiving a sentence of seven years in prison, a fine of RM10 million (\$US2.1 million) and a flogging, a first for a politician. This was for embezzling \$200,000. The sentence has not been carried out pending appeal. Significantly, no pardon has been forthcoming for him.

On the same day, four opposition MPs were revealed to have switched allegiance to the government, exploiting a loophole in the Anti-Hopping law designed to thwart such practices. This law was championed by Pakatan Harapan in order to address the fact that the government changed hands three times between 2020 and 2022 due to the defection of MPs. The law came into effect on October 5, 2022.

Since then, two more MPs have switched their allegiance, one on November 28 and one on January 24, taking the government's lower house vote count to 153 seats. Anwar has denied any involvement.

The switching has circumvented the Anti-Hopping law due to the fact that the MPs in question have not left their party and, instead, have stated that they will simply vote with the government. As an independent, Syed Saddiq is not covered by the law.

All six switchers have openly stated that their decision was prompted by a desire for greater federal funding for their constituencies, after having been starved of funding at the state and local level. On January 24, the last MP to switch, Zulkafperi Hanapi, said that "after a year without any [funding] allocation, I think this is one of the best decisions that most of the people of [the constituency of] Tanjong Karang want. They are struggling and squeezed by the high cost of living now and many need help so this is the best way for me to be able to function."

Crucially, corruption charges and investigations have commenced against powerful sections of Malaysia's ruling elite opposed to Anwar. On January 29, 2024, corruption charges were laid against Daim Zainuddin for failing to declare 71 assets such as

several luxury cars, companies, properties and land.

Previously, on December 21, 2023, the Malaysian Anti-Corruption Commission (MACC) seized Ilham Tower, located in central Kuala Lumpur, as part of a criminal investigation against Daim and his family, who are listed as owners of the building. The 60-storey building was completed in 2015 and is estimated to have cost \$580 million.

Daim is an 85-year-old businessman who served as finance minister from 1984 to 1991 and from 1999 to 2001 under long-serving UMNO Prime Minister Mahathir Mohammed. Daim and his family were named in both the Pandora Papers and Panama Papers leaks, which contained revelations about high-profile politicians and businessmen, particularly their financial interests in various tax havens.

In addition, Mahathir's two sons are also under investigation by MACC, again stemming from the same leaks.

James Chin, Asian Studies professor at the University of Tasmania, stated, "it's a smart move to go after Mahathir and Daim... Put yourself in Anwar's shoes: the people that give you the most trouble are obviously Mahathir and Daim, people with money, so you go after them."

With clear animus directed toward Anwar and his collaborators, Daim's wife, Na'imah Abdul Khalid, warned, "power is brief and there is always a reckoning for those who abuse it."

Commenting on the partial pardon for Najib, Francis E. Hutchinson, coordinator of the Malaysia Studies Program at the Singapore-based ISEAS, stated, "as long as it is neither a full pardon nor a full sentence, both camps can draw some comfort from the fact that it could be worse."

While paying lip service to democracy and the fight against corruption, the reality is that all factions of the ruling class exploit corruption charges as the means for bringing down their opponents. None of them represent the interests of working people.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact