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Sarawak State Elections 2016: Revisiting Federalism in Malaysia

Mohamed Nawab Mohamed Osman and Rashaad Ali

Abstract: The recent state elections in the Eastern Malaysian state of Sarawak in 2016 saw the ruling coalition, the Barisan Nasional, secure a comfortable victory through its component party, the Parti Pesaka Bumiputera Bersatu, led by the late Adenan Satem, who passed away suddenly on 11 January 2017. A key theme of Adenan’s election campaign was greater autonomy for the state of Sarawak, while he also distanced himself from the troubles of the Najib Razak administration and the federal government. This paper seeks to examine the Sarawak state elections within the context of Malaysia’s federalism. We argue that the state elections highlight how a lack of popularity and weakened federal government has allowed states to exercise more leverage in order to gain greater influence and autonomy, strengthening the original federal agreement of 1963 while inadvertently weakening the centre. We argue that Malaysia’s claim to be a federation is largely superficial, as much power constitutionally rests with the federal government at the expense of state autonomy. This is demonstrated through both an examination of federalism as a broad concept and a brief history of centre–state relations in Malaysia. This paper posits that further “bargaining” by states with the federal government during election campaigns may be possible if the centre continues to exhibit political weakness.

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Keywords: Malaysia, Sarawak, federalism, centre–state relations, Najib Razak, UMNO, Adenan Satem

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Introduction

The recent state elections in the Eastern Malaysian state of Sarawak represented a moment of ambiguity in Malaysian politics. The governing coalition, Barisan Nasional (BN), led by the Sarawak-based Parti Pesaka Bumiputera Bersatu (PBB) scored an easy win against a weak and divided opposition. The PBB itself won all of the 40 seats that they contested, and the BN coalition secured a two-thirds majority in the 82-member Sarawak state assembly. The election results themselves were largely expected.

Nevertheless, voting patterns in the Sarawak elections may point to nuances that could foreshadow events in the general elections due within the next two years. Additionally, they may provide a useful barometer for the current government's popularity, while the elections and the various factors that have contributed to the outcome may impact federal–state relations in Malaysia.

The success of the BN in the Sarawak elections can be attributed to a number of possible factors, ranging from the popular support Adenan Satem enjoyed among the Sarawak people to gerrymandering and corruption. Overwhelmingly, however, the BN's success can be attributed to its having seized the opportunity to ride the popularity of the PBB, and its having benefitted from the disunity of opposition parties.

The Barisan Nasional's need to secure Sarawakian parliamentary seats provided Adenan Satem and the state government with a unique opportunity to leverage demands for greater autonomy from the federal government. Coming at a time when the Najib Razak administration was facing public corruption scandals, a win for the BN was sorely needed to restore public confidence.

Furthermore, Malaysia employs a multi-layered federal system with a particularly strong centre. Despite a basic outline for shared governance, the federal government is constitutionally assigned significantly more power than its state counterparts, and in the case of East Malaysia, this is in spite of Sabah and Sarawak occupying an asymmetric position within the 1963 federal agreement, also known as the 18-Point Agreement or the Malaysia Agreement.¹ Negotiating this relationship between centre and state was a key theme of the elections.

1 The Malaysia Agreement was a list of 18 points drawn up by Sarawak as part of its negotiations to join the federation of Malaysia in 1963. It was designed to protect the autonomy and special interests of the people of Sarawak, in areas such as religion, language, education, and culture, among others. In contemporary times, the agreement has acted as a template for federal–state relations.

This paper examines the impact of the Sarawak state elections in 2016, within the context of Malaysia's federalism. We argue that the state elections highlight how a lack of popularity of the federal government allows states to exercise more leverage in order to gain greater influence and autonomy, strengthening the Malaysia Agreement while inadvertently weakening the centre. This does not take place through a process of decentralisation, as the Constitution of Malaysia has remained unchanged; rather, it occurs by way of political bargaining that was previously not an option due to the one-party dominance and the overall popularity of the federal government.

This paper is divided into three sections. The first section details federalism and how Malaysia fits into this particular framework. It also seeks to assess the extent of the country's political centralisation. It explores Malaysia as a federation from a constitutional perspective and how federal–state relations exist within this paradigm, alongside case examples of federal–state relations including Johor and opposition-controlled states.

The second section outlines the Sarawak elections, providing background information as well as discussing both the results and the factors that affected the outcome. This includes an analysis of said factors, as well as an examination of the changing dynamic within Malaysian politics driven by Prime Minister Najib Razak. The third section briefly looks at the implications of these developments on federal–state relations and on federalism in Malaysia, concluding that a weakening and unpopular central government affords more space for state governments to operate within the federation.

Federalism in Malaysia

Federalism can be broadly defined as a distribution of power between central and regional governments based on a written agreement, with all units participating and sharing in political power and governance (Ward in Ward 2016: 5). Elazar stresses the importance of agreements and “covenants” when entering into political associations “to achieve common ends and protect certain rights while preserving their respective integrities” (Elazar 1987: 33). To illustrate the various ways a nation-state may organise a division of power between a central/federal government and its constituents, he distinguishes between a few different models, such as the power pyramid model, the centre–periphery model, and the matrix model (Elazar 1987: 34).

According to Elazar, the best way to understand federalism is with the matrix model, which looks at national distribution of power across a plane, where no “higher” or “lower” notions of power are present; thus decision-making is diffused across different bodies and linked through formal and informal lines of communication (Elazar 1987: 37). A constitution provides the framework – indeed, it is one of the central requirements for effective federalism. With federalism and/or a division of powers written into the constitution, there is also a need to elaborate the frame of government and its institutional structure and describe a political ideal for the government and its people to follow (Elazar 1987: 157–167). Non-centralisation is also important, along with areal divisions of power, to allow constituent polities to participate as partners. Non-centralisation differs from decentralisation, as the latter implies that a polity can centralise and decentralise at will, whereas the former indicates a structure so diffuse that such exercises would cause it to break (Elazar 1987: 33–34).

Federalism in Malaysia goes hand in hand with the inheritance of a constitutional monarchy with a Westminster parliamentary system as its form of government at independence. Constitutionally, the federation of Malaya was characterised by a strong centre, which will be explored later. In 1963, with the accession of North Borneo (Sabah), Sarawak, and Singapore to Malaya, the federation renamed Malaysia was born (Harding 2012: 33).

Federalism was a sensible approach for Malaysia for a number of reasons. First, British colonialism necessitated a shared-rule approach due to individual sultans ruling in different states. The federation of Malaya at the point of independence in 1957 represented a number of years’ worth of negotiations by the Malayan Union. A federal system thus allowed for sultans to participate in the Malaya project, initially under British rule and again after independence. Second, due to migration of Indian and Chinese migrants, a federal approach suited the growing diversity of Peninsular Malaysia. Although governance was dominated by the Malay elite, this approach sought to be inclusive; indeed, it was part of the social contract with Indian and Chinese communities, who, though they were offered citizenship, it was only at the cost of special rights being accorded to Malays and other “natives” of the land (Khalid 2014: 72). These special rights included established quotas for public service positions, business licences, and access to scholarships (Gomez and Saravanamuttu 2013: 10). The Malaysia Agreement of 1963 also reflects this, as Singapore was majority Chinese, while Sabah and Sarawak were comprised of many ethnic groups.

The desire to strengthen the centre became more apparent in 1965, when Singapore was expelled from the federation and attention was turned toward Sabah, Sarawak, and Kelantan to reign in any regionalism (Chin 1997: 114). Malaysia has continued down the path of centralisation, contributed to in large part by the unbroken reign of the United Malays National Organisation (UMNO) since independence and enforced by public policies that include the New Economic Policy, privatisation through government-linked companies, and the outright appropriation of states' rights (Hutchinson 2014: 438). In contrast to their peninsular counterparts, the states of Sabah and Sarawak have enjoyed greater freedom and autonomy due in large part to their unique position within the Malaysian federation. As part of the original 1963 federal agreement, Sabah and Sarawak have enjoyed dominion over immigration, native customary law, personal law, and other issues, collectively known as the Malaysia Agreement, born from the Cobbold Commission (Harding 2012: 34). Because of the strong differences between East Malaysia and Peninsular Malaysia in terms of ethnic makeup, religious identity, languages, and size and use of land mass, East Malaysia succeeded in negotiating a more autonomous relationship vis-à-vis the federal government. This included borrowing money with the consent of the central bank, being entitled to special grants, and being exempted from Parliament's authority to legislate for land and local government, giving the states exclusive legislative control (Harding 2012: 34). In a sense, there are two federations: one between the peninsular states and the federal government, and another comprised solely of East Malaysia.

The Constitution of Malaysia determines the responsibilities and duties of both federal and state powers, heavily favouring the centre with regard to control over finances, external affairs of defence and citizenship, social affairs, trade, taxation, and even local government, while state powers are limited to issues such as local resources and religion and customs (Hutchinson 2015: 114). Additionally, federal courts are the arbitrators of disputes between the federal government and states, while states also draw from and rely on federal resources and funding, which can be problematic, as will be examined later. Similarly, although states have purview over local resources, this can be circumvented by the federal government (Hutchinson 2015: 115). If we consider "centralisation" to refer to a state with a single government with the entire national territory as its jurisdiction, Malaysia, at the least, is administratively decentralised, with the existence of subservient local governments at the state level (Treismann 2007: 27). Overall, Malaysia is highly centralised, with state governments responsible for limited legislative, executive, and fiscal

power (Yeoh 2010: 183). This, in essence, differs from the principle of “non-centralisation,” as the authority of the federal government has been codified into the Constitution, thus running contrary to the ideals of federalism as a whole.

Federal–State Relations

How has federalism evolved since the Malaysia Agreement? An examination of federal–state relations over the years since 1965 provides a useful insight into the increasing centralisation of Malaysia, despite its federal agreement. This section examines episodes in Malaysia’s history where relations between the state and centre have been fraught. It will look at Johor during various points over the last 30 years, Sarawak in the years preceding its accession, and opposition states such as Penang and Selangor immediately preceding the 2008 general elections. In this way, the full range of possible federal–state relations between different types of states will be detailed, and in the process the evolution of this relationship will be demonstrated.

Hutchinson’s extensive examination of federal–state relations in the case of Johor provides a useful insight into relations between an UMNO-friendly state and the central government, as opposed to other literature, which tends to focus on either opposition-controlled or minor-coalition states. He looks at three specific time periods: 1986–1995, during former prime minister Mahathir Mohamed’s strong industrialisation drive; 1995–2004, which was characterised by an easing of tensions; and 2005–2013, which saw differences and conflicts of interest crop up again (Hutchinson 2015: 122–124). National and state interests will inevitably differ, especially considering that state politicians have their own political aspirations that are likely to differ from those at the federal level.

The first and third periods that Hutchinson examines are characterised by federal directives and disagreement over investment/development projects that give rise to strong tensions between centre and state. Although out of the public eye for reasons of maintaining party unity, such tensions are not unsurprising when considering the economic and political importance of key developments within a state. Historically, Johor has always had a tenuous relationship with the federation: initially it was strongly reluctant to join, and it has also long been seen as a UMNO stronghold. It expresses its autonomy in various ways: for instance, Johor has its own civil service, and the state holds considerable sway in politics, with many of those in top positions in the federal government coming from Johor (Hutchinson 2015: 118).

Significant tensions first arose during Mahathir's reign as prime minister, as he sought to industrialise the country. Johor's border with Singapore gave it some advantage, and the federal government was concerned about the amount of foreign investment and control that might be exerted over Johor, which might draw funds away from the capital (Hutchinson 2015: 118). The federal government shut down requests for infrastructure funds in Johor, leading to friction between the centre and the state. Further incidents, such as the creation of a national water authority, threatened Johor's water autonomy and revenue. The period between 2005 and 2013 saw similar tensions arise around parallel issues, particularly over the Iskandar development project.

When dealing with opposition-controlled states, the government has at times employed heavy-handed tactics. A good example of this is the case of Terengganu in 2000, when it was taken over by the opposition Parti Islam Se-Malaysia (PAS). The federal government subsequently cancelled oil royalty payments to the state. Despite Terengganu's best efforts, it was unable to get any quarter until the payment resumed when the BN won the state in the 2004 general elections (Harding 2012: 74). Other examples include after the 2008 elections, when the opposition formed state governments in Penang and Selangor. The new governments had funds that were previously allocated to their states rerouted through new federal agencies, resulting in a lack of federal funding for states controlled by the opposition (Loh 2010: 134). The federal government repeatedly demonstrated its unwillingness to cooperate, even impeding development projects and other initiatives to promote growth within opposition-controlled states.

Opposition-controlled states without their own independent civil service are also bound to face institutional challenges, especially with the creation of federal agencies within states to circumvent local government (Yeoh 2010: 184). Hadi Awang, the president of the PAS who was appointed chief minister of Terengganu after the 2004 election, reported that civil servants were reluctant to work with him and sought ways to undermine the state government. Additionally, in the case of Kelantan: that state only receives loans, as opposed to other states, which receive federal grants. The federal government, however, attempts to portray itself as helping the state when, in reality, bureaucratic meddling and the lack of funding is hampering Kelantan's development. As of late, the

Kelantan state government has tried mending relations with the federal government to secure additional funds for development in the state.²

Sarawak and the Federal Government

Despite its unique position, Sarawak has over the years faced challenges to its autonomy from the federal government. In 1966, a leadership crisis emerged when Stephen Kalong Ningkan from the Sarawak National Party was effectively removed as chief minister of Sarawak by the federal government (Chin 1997: 101). Ningkan made himself a target after ignoring land tenure legislation, seeking to make land available for non-natives and thus angering local Malays and Melanau. The federal government took advantage of the political crisis to oust Ningkan. Disagreements had emerged between the Sarawak state government and the federal government due to Ningkan's insistence on sticking to the original Malaysia Agreement. Ningkan was removed and eventually replaced by a coalition state government led by the pro-federal Abdul Rahman Yakub. A similar situation arose in 2009 in Perak when three opposition members of Parliament defected to the ruling coalition, causing the collapse of the state government (Chance 2009). The sultan of Perak subsequently refused calls to dissolve Parliament, Chief Minister Mohammad Nizar Jamaluddin was ousted, and the BN formed the new state government.

In 1970, after the elections, no single party had a working majority, thus parties were forced to form a coalition. The Chinese-based Sarawak United Peoples' Party (SUPP) decided to form a coalition with the Muslim-led PBB after significant pressure from the federal government. The PBB at the time was pro-federal, as well as majority Muslim, thus aligning themselves to the UMNO in Peninsular Malaysia (Chin in Harding and Chin 2014: 90). The federal government intervened again in 1987, throwing their weight behind Taib Mahmud when he called for a snap election, channelling government resources to his campaign (Chin in Harding and Chin 2014: 90).

These examples demonstrate that the central government has not been hesitant to clamp down on dissent in the past. However, most episodes where the government has taken a heavy-handed approach have come at times when the UMNO and the BN were politically strong. Despite this, it has still been possible for federal–state relations to come under pressure even in UMNO-controlled states, exemplified by the case

2 Interview with Dr. Hatta Ramli, member of Parliament from AMANAH, on 14 July 2016.

of Johor. However, the current political climate, with the Najib administration continuing to suffer from political scandals and the UMNO divided by in-fighting and factionalism, as well as the formation of a breakaway party led by former deputy minister Muhyiddin Yassin and former prime minister Mahathir Mohamed, gives pause as to whether these factors may force the party to adopt a new approach. This may prevent such a direct approach from the centre when dealing with states, as the government cannot afford to be unnecessarily antagonistic. As the UMNO depends on the states, particularly “fixed deposits” such as Sabah and Sarawak, to provide them seats for their political mandate, this may require that the UMNO take a softer approach to ensure the states’ continuing allegiance to the centre.

In conclusion, an examination of Malaysia’s system of government reveals that by design, it runs contrary to spirit of federalism in its vision of shared rule and unity. Authority was centralised from the beginning through the Constitution, further emphasised through institutional changes, such as special rights for Malay Bumiputera and the introduction of the New Economic Policy (Bhattacharyya 2010: 84–85). Additionally, Malaysian state royalty had its authority curtailed during two constitutional crises, respectively in 1983 and 1993, which led to a further strengthening of the centre (Ibrahim 2012: 61–63). Finally, special allowances for East Malaysia make states’ positions within the country asymmetric, as power is distributed unevenly. Thus, locating Malaysia within concepts of federalism proves problematic, as although it may outwardly take this form, an examination reveals the true nature of its centralised federal government. This provides a useful context when analysing the Sarawak state elections, as it helps us to assess the success of Malaysia’s federalism.

Sarawak State Elections

This section deals with the recent Sarawak state elections, including its results and subsequent analysis. It begins with a brief introduction of Sarawak, a comparison of election results from 2011 and 2016, and a broad analysis of the factors that contributed to the results, including the importance of former chief minister Adenan Satem and the leverage he exercised over the federal government.

Sarawak features a distinctly different ethnic make-up from Peninsular Malaysia, with more than 40 ethnic groups. Ibans comprise the largest single group of the Sarawakian population at 31 per cent, followed by the Chinese and Malays at 28 per cent and 20 per cent, respec-

tively. Melanaus, Bidayuh Orang Ulu, and many other groups make up the rest. With a total population of more than 2.6 million, it is the fourth-most populous state in Malaysia, and its inhabitants are predominantly Christian (*The Borneo Post* 2014). This alone makes the dynamics within Sarawak vastly different from Peninsular Malaysia.

The current political parties that make up the ruling National Front (Barisan Nasional, BN) coalition in Sarawak are the United Bumiputera Heritage Party (Parti Pesaka Bumiputera Bersatu, PBB), Sarawak United Peoples' Party (SUPP), Sarawak Peoples' Party (Parti Rakyat Sarawak, PRS), and Sarawak Progressive Democratic Party (SPDP). On the side of the opposition, the Democratic Action Party (DAP), People's Justice Party (Parti Keadilan Rakyat, PKR), and National Integrity Party (Parti Amanah Negara, AMANAH) of the Pakatan Harapan coalition have a presence, as does the Pan-Malaysian Islamic Party (Parti Islam Se-Malaysia, PAS).

2011 State Elections Results

In the 2011 state elections, the BN emerged victorious with 77.46 per cent of the seats. The results saw the PBB leading with 35 seats, the PRS with 8 seats, and the SUPP and SPDP with 6 seats each (*The Borneo Post* 2011). Nevertheless, the BN performed worse than it had in the 2006 election, losing a total of 15 seats to the opposition (the DAP controlled 12 seats, the PKR 3 seats). There were several factors that contributed to the BN's poor performance in 2011. First, in line with the national voting trend that saw the opposition winning significant numbers of seats in the 2008 election, the opposition benefitted from this trend and won increased support, especially from the Chinese populace in Sarawak. Second, the opposition successfully campaigned on the issue of corruption within the government of Mahmud Taib, the long-serving chief minister of Sarawak who allegedly amassed a huge fortune during his 32 years in office. His refusal to step down from office became a hot-button issue during the election. Third, the decision by the central government to cut fuel subsidies led to a hike in the cost of living. This led to an overall increase in the cost of living throughout the state.

2016 State Elections Results

In the lead up to the Sarawak state elections of 7 May 2016, most analysts predicted a comfortable victory for the BN and the PBB. In fact, some members of Parliament from opposition parties admitted the result was a foregone conclusion, given the popularity of Adenan, Sarawak's

historical voting record, and the state’s importance to the BN. Nevertheless, Najib Razak was expected to make a strong public showing in a bid to rescue his image and as a show of strength for his party, the UMNO, despite it having next to no political presence in the country.

Voting Results

The Barisan Nasional, led by the PBB, won 72 out of the total 82 seats; this was an improvement of 17 seats from the previous election in 2011. The DAP won 7 seats – 5 seats fewer than the previous election. The PKR retained 3 seats, while the PAS and the newcomer AMANAH failed to win any seats; in fact, the PAS and AMANAH each lost the deposits they had placed for the respective 7 and 9 seats they had contested. The BN also successfully contested and won all 11 newly created seats, while also increasing their popular vote share to 63.72 per cent, up 8.32 per cent from the previous election (Harith 2016).

Table 1. Constituent Breakdown by Ethnic Demographics

Voter demographics	Number of seats
Malay/Melanau	28 seats (3 new)
Iban	23 seats (3 new)
Bidayuh	8 seats (2 new)
Orang Ulu	5 seats (2 new)
Chinese	15 seats (1 new)
Mixed	3 seats

Factors Affecting Election Results

A quick analysis indicates that the BN performed well across all constituencies, regardless of the ethnic demographics of each seat. Initial election forecasts predicted two basic scenarios: the DAP would either gain or lose seats. This forecast was informed by an expectation that Chinese voters would represent most of the “swing vote,” which proved accurate, with the DAP losing 5 seats to the BN in majority-Chinese areas. Some Chinese voters decided to abandon the DAP in favour of the popular Adenan and his PBB. Additionally, the BN managed to maintain its “fixed deposit,” especially in rural areas, despite a strong rural push from the opposition. There were several factors that shifted votes in favour of the BN. The most important factor in the BN’s impressive showing was the popularity of the new Sarawak chief minister, Adenan Satem.

Undoubtedly one of the most salient reasons for the BN's big win was Adenan Satem's popularity amongst the Sarawakians and the perception of his good governance. The feel-good factor was largely due to the relatively "cleaner" image of the chief minister himself, who was not marred by any major corruption scandals. This can be contrasted with the disfavoured former chief minister, Taib Mahmud, who was known for corruption and cronyism, particularly in the issue of deforestation (Woon 2012: 281). As such, when Taib decided to step down in 2013 after 32 years, there was a sense of euphoria, which translated into support for the new chief minister.

Adenan's popularity could also be attributed to a string of popular moves that centred on the theme of "Sarawak for Sarawakians," a sentiment that stresses the self-importance of the state as opposed to the country as a whole and which was based on the Sarawak Constitution. Adenan stated that the BN's dominant party, the UMNO, would not be represented in Sarawak, and he reinstated English as the official state language alongside Malay, where since 1974, Malay had been the sole official language and the medium of instruction in schools (*Bernamea* 2011). He also backed religious freedom and froze timber licences for 10 years, continuing a strong trend of policy decisions that reinforced Sarawak's state identity and autonomy (Guan 2016).

One of the key issues affecting Malaysia is fear of a creeping Islamisation, which is viewed as having significantly affected the rights of minorities in the country, manifesting in such ways as, for example, the overlapping jurisdiction of civil and Islamic *syariah* courts and the pervasiveness of Islamic norms in Malaysian public life, including those relating to dress code and dietary restrictions. As such, the decision by Adenan Satem to lend support to Roneey Rebit, a Sarawakian who wanted to revert back to Christianity from Islam, was widely viewed by many non-Muslim Sarawakians as being progressive (Tawie 2016a). Rebit's application to the National Registration Department to remove Islam from his identity card was rejected, and he was instructed to make an application to the Syariah Court to allow him to leave Islam. A High Court judicial review ruled in favour of Rebit. In Christian-majority Sarawak, this move went down well, especially as religious tensions in Peninsular Malaysia continue to brew. The Sarawak United Peoples' Party and Sarawak Peoples' Party, both members of the BN, were each able to increase their vote share.

Unlike his predecessor, Taib Mahmud, who had grown very unpopular prior to his resignation, Adenan was not handpicked or exclusively backed by the UMNO to lead Sarawak as chief minister. Taib enjoyed 33

years as chief minister with the support of the federal government, until a lack of support from the Chinese community resulted in a loss of seats for the SUPP in 2011, which subsequently caused the government to encourage him to resign. Adenan entered into the chief minister position needing to secure the support of the Chinese community, with the federal government continuing to be reliant on Sarawak for parliamentary seats. Thus Adenan found himself in a relatively comfortable position, affording him some leverage for bargaining.

Some election projections had forecasted steady support amongst the Chinese population for the DAP, despite high approval ratings for Adenan (Hazis 2016). Some projections estimated that the DAP would win as many as 15 seats. The reality in the 2016 elections turned out to be quite different, with the DAP losing 5 of the 12 previously held seats, and winning just 7 of the 31 seats the party contested. This is significant, as the DAP had been perceived to be invincible in Chinese-majority constituencies.

Indeed, it was the first time since Abdullah Badawi's reign as prime minister that the Chinese votes drifted back to the BN. Chinese voters, who aligned themselves with the ruling coalition in the SUPP, have indicated their desire for good governance above all other party politics. This is a trend unlikely to be witnessed in Peninsular Malaysia, where the polarisation of party politics will most likely lead voters to vote almost exclusively along party lines at the expense of potentially good candidates. Although the opposition retained some of the Chinese vote, the reduced number speaks volumes of a Sarawak under Adenan, who has set out a clear agenda to work for the entire community. A "Sarawak for Sarawakians" theme has strong appeal, contrasted against the UMNO's Malay-exclusive approach following the 2013 general elections.

Another policy shift, undertaken by Adenan in March 2016, was the recognition of the Independent Chinese Secondary School's United Examination Certificate (UEC). The UEC is a certificate issued by Chinese schools that is not recognised by Malaysian public universities or the federal civil service. This policy change in Sarawak allows UEC holders to work in state civil service and the Sarawak legislative assembly (*Malaysiakini* 2016a).

Sarawak's more than 40 ethnic groups make its demographics distinctly unique compared to those of its peninsular counterpart. The largest of these are Iban, Chinese, Malay, and Bidayuh, with smaller percentages of many other ethnic groups comprising the rest. This differs strongly from Peninsular Malaysia, especially in the way ethnic politics are represented in the state. Malay Bumiputera politics are relatively

inconsequential in Sarawak, a fact not lost on Adenan or the BN in the build-up to the 2016 elections, and subsequently reflected in his campaign strategy. Adenan had no qualms about distancing himself from the troubles of the ruling UMNO and the Najib administration, while concurrently calling for greater autonomy for Sarawak (Ling 2016).

His push for the original Malaysia Agreement for Sarawakian autonomy from the federal state speaks of both his desire to put Sarawak first and the leverage he had with the federal government. Sarawak has always been seen as a “fixed deposit” by the UMNO-dominated BN, and they did not want to antagonise this relationship by pushing back on Adenan.

The Sarawak election results come at a good time for Najib and represent an opportunity for him to repair his administration’s tainted image both in East and Peninsular Malaysia, and to display a united and formidable BN at the next general election. Riding on the coattails of Adenan’s popularity, Najib and the UMNO have received a timely boost, if only for the short term. However, in the long term the position of Sarawak’s autonomy will need to be given particular attention, as Sarawak’s position as a “fixed deposit” for the BN continues to be more important, especially if the BN’s position in Peninsular Malaysia is further weakened.

The AMANAH, the DAP, and the PKR struggled to coordinate their efforts in their opposition alliance to maximise their support. As a result, the election saw multi-cornered fights in six seats. This had the obvious effect of diluting the vote in favour of the BN; squabbling opposition allies publicly expressed their unhappiness with the other opposition parties, as both the PKR deputy president Azmin Ali and the DAP secretary-general Lim Guan Eng did prior to the election, and in so doing portrayed themselves in a damning light before the Sarawakian voting public (Singh 2016).

AMANAH, in its maiden election, was concerned with presenting itself as a new party that could rival the PAS, and its primary goal in the election was to establish visibility, as it knew a BN victory was a foregone conclusion.³ The PAS stated that one of its key objectives was to weaken the DAP by contesting seats the DAP held or has traditionally contested, such as in Samalaju and Pujut, with the objective of dividing the opposition vote.⁴ The main strategy the opposition employed was to divide the main issues into “domestic” and “federal” groups, with emphasis placed on the latter. Federal issues referred to national problems

3 Interview with Dr. Hatta Ramli, member of Parliament from AMANAH, 14 July 2016.

4 Interview with Mukhtar Suhaili, secretary of PAS Sarawak, 15 July 2016.

caused by the BN-led government, such as the introduction of the Goods and Services Tax and the ongoing 1Malaysia Development Berhad (1MDB) scandal, which has seen Prime Minister Najib accused of channelling over MYR 2 billion from a development company into his own private accounts. Domestic issues included a lack of infrastructure and problems of overlogging. Unfortunately, the opposition largely failed to tailor their message to the local populace, focusing on national issues that ultimately have greater currency in Peninsular Malaysia than in East Malaysia. They also made the mistake of going after Adenan in their criticisms, warning the Sarawak people that a weak opposition would allow the chief minister to run unchecked, much like his predecessor Taib Mahmud. While Adenan focused on issues close to the hearts of many Sarawakians, opposition leaders instead polarised voters by focusing on federal issues.⁵

Another important dynamic of the 2016 Sarawak state election is that it was the first time that the PAS had contested the election since 2008 outside the fold of the defunct Pakatan Rakyat coalition. Not only did the PAS pursue a different strategy during the election, it also sought to undermine the political position of both AMANAH and the DAP.⁶ The fact that the opposition alliance was more interested in attacking other opposition parties than going after the BN severely undermined its credibility with the electorate. A survey in the lead-up to the election indicated that locals were largely dissatisfied with the opposition (Merdeka Center 2016). This was once again manifested in the 2016 election results, which saw the opposition's overall position worsen as compared to the 2011 elections.

One major criticism in the build-up to the elections was the accusation by the Election Commission of gerrymandering on the part of the ruling government. In 2015 a delineation exercise created 11 more seats with an estimated 9 favouring the BN. This is because the new seats were created in disproportionately rural and semi-rural areas with large Malay populations. This brought the total number of Malay-majority seats to 21, compared to 11 for Chinese-majority areas. In terms of population, Chinese make up 24.2 per cent of the population while Malays make up slightly more: 24.4 per cent (*The Borneo Post* 2014). The case could be made that this change disempowered the Chinese communities while disproportionately giving the Malay community a stronger vote.

5 Interview with Dr. Hatta Ramli, member of Parliament from AMANAH, 14 July 2016.

6 Interview with Mukhtar Suhaili, secretary of PAS Sarawak, 15 July 2016.

However, it must be noted that although one could speculate that this delineation exercise was done in order to aid the ruling government in securing more seats, it may have proved unnecessary due to the popularity of Adenan and the PBB with the Chinese community. This is evidenced by the loss of 5 seats (from 12 to 7) by the DAP from 2011 to 2016 in Chinese-majority areas. It seems that the seat delineation was aimed at assuaging the different component parties within the BN, which has historically squabbled over seat allocation (Tawie 2016b).

Within the context of Malaysia's federalism, the Sarawak state elections demonstrate how a particular combination of factors – in this case, a strong chief minister and a weak federal government – are able to push back while inadvertently strengthening federalism in the country. Adenan managed to win popular support – especially from the Chinese who voted against the SUPP when Taib Mahmud was in power – by leveraging calls for greater autonomy from the federal government. Historically, Sarawak is a special case as it differs significantly from Peninsular Malaysia, and was already accorded a special position in its agreement to join the federation. Here, it is worth noting that post-independence nationalist fervour allowed for large groups to be subsumed into a federation, bound by a strong national identity. In recent years, this national identity has largely been replaced by a hegemonic UMNO, Malay-Muslim narrative at odds with non-Muslim Malaysians, particularly Sarawakians. As the federation starts to crack at a societal level, these fractures also begin to appear at the political level. In the unique case of Malaysia, however, this “cracking” reverses the centralised system of government towards one of non-centralisation.

Impact on Federal–State Relations

The outcome of the Sarawak state election of 2016 has had one major impact on federal–state relations: Adenan gained leverage over Najib and the federal government. During the run-up to the elections, Adenan was openly condescending towards Najib and his wife during several public engagements, working the crowds' anti-UMNO sentiment to his advantage.⁷ Following the 2008 and 2013 federal elections, Sarawak had become a serious political force, given the number of seats it delivered to the ruling party. Sarawak was duly “rewarded” for its importance with seven minister positions in the federal cabinet (Saai 2013). When Adenan

7 Interview with Nurul Izzah Anwar, member of Parliament from the PKR, 13 July 2016.

made his “Sarawak for Sarawakians” call, which under different circumstances would be construed as unconstitutional, Najib did not react negatively. In fact, in an unprecedented move, PM Najib offered to discuss issues pertinent to Sarawak, such as oil royalties, after the elections.⁸ It seems such a call for autonomy was mutually beneficial for the parties: Adenan enjoyed local support and gained leverage over the federal government, while Najib secured Sarawak as a BN state. This strategy was recognised by the DAP in Sarawak, who referred to Adenan’s calls for greater autonomy as “unconstitutional” (*Malaysiakini* 2016b). While it is highly unlikely that any real concessions would be made on issues such as the oil royalties, the fact that these issues were purportedly on the table represents a significant victory for Sarawak (*Malaysiakini* 2016c).

The Sarawak state election provided a much needed breather for Prime Minister Najib Razak, who faced the biggest political challenge of his career. While the resounding victory for the BN in Sarawak had little to do with the PM’s popularity or that of the federal government, nonetheless the victory was claimed by the PM. Factors such as the popularity of Adenan Satem, the divided opposition, and gerrymandering and other systemic factors that favour the incumbent state government were some of the reasons that led to the BN’s convincing win.

The election has given the government of Sarawak (and by extension the Sabahan government) the leverage to demand for the original Malaysia Agreement to be respected by the federal government and for a degree of autonomy that has not been seen since Malaysia attained its independence in 1963. In fact, it is also likely that the two East Malaysian states will gain a larger share of political power at the federal level. As observed in the 2008 and 2013 elections, the BN can remain in power as long as it captures some Malay-majority seats and virtually all of the seats held by indigenous parties in East Malaysia. As long as the coalition is able to assuage its political bases, it will be difficult for the BN to be replaced, especially given demographic trends that show a declining percentage of Chinese and Indians.

Najib appeared shrewd enough to provide the right incentives for his political allies, in this case Adenan, as he stood to gain from a PBB victory and would further consolidate his position in an unfavourable political climate as a result of corruption allegations against him. The recently concluded by-elections in Kuala Kangsar, Perak, and Sungai Besar, Selangor, saw voters extend the mandate of BN members of Par-

8 Interview with Dr. Hatta Ramli, member of Parliament from AMANAH, 14 July 2016.

liament in a contest that was billed as a litmus test for the PM's political position. The election results saw the BN sweep to victory, with the winning candidate receiving more than double the votes of the opposition candidate in second place; this was a much improved margin from the slim victories of the 2013 general elections. Najib has continued to ride the election wave to give his own popularity a boost. Just as in Kuching, Najib carefully orchestrated the victory announcements of the by-elections to ensure that he was featured prominently, and he claimed credit for all three electoral victories. Amid perpetual calls for his resignation, Najib's claim that this victory was his own may go some way to stave off criticism, if only temporarily.

When examined alongside other episodes of federal–state relations, this case presents an interesting development. Despite the presence of many other factors, it appears that Adenan was successful in bargaining for a better deal from Najib and the federal government. This is a change from previous, heavy-handed dealings between the centre and states, whether BN- or opposition-controlled, as explored earlier. Other oil-producing states, such as Sabah, Kelantan, and Terengganu, could consider following Sarawak's example and demand more royalties, and states rich in other resources may opt to do likewise. Parties and politicians within the ruling coalition may see the present state of Malaysian politics as an opportune time to bargain with the federal government for greater concessions of power in exchange for delivering a new mandate come the next general elections. Additionally, this may also prove to be a useful bargaining chip for forging political partnerships and alliances across party lines.

This seems probable despite the continued centralisation of power, the dismissal of the deputy prime minister and the attorney general, and the rift between the government and Mahathir Mohamed and his son, Mukhriz Mahathir, all being indicative of highly centralised authoritarianism. The recent introduction of the National Security Bill, which confers emergency powers to the prime minister under the pretext of defence against terror attacks, follows this same trend. Prime Minister Najib and his government do not seem too concerned with dismissing political adversaries, but are rather focused on keeping the hegemon intact from within.

While the federal government makes moves to give itself greater authority, a general election may see a movement in the opposite direction in the form of non-centralisation of power. It is unlikely that the government will decentralise and relinquish power any time soon; such changes would require constitutional amendments and broad institution-

al changes in an earnest attempt at decentralisation. However, a weakened centre provides many opportunities for state governments to seize power and influence and may even allow those states to successfully push for constitutional and institutional reform, giving new life to federalism in Malaysia.

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