

POLITICAL LEADERSHIP OF THE MALAYSIAN ALLIANCE PARTY: RAHMAN TO RAZAK

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INTRODUCTION

THE RESULT OF the Malaysian general election of August 24, 1974¹ was a sweeping victory for the Barisan Nasional (National Front).² This meant that Prime Minister Tun Razak had succeeded in overcoming the May 13 Tragedy³ and had strengthened national unity. Once, I wrote on the May 13 Tragedy that "because of the class division and the anti-Malay feelings of the non-Malay laborers, it is not so easy for him [Tun Razak] to gain support for this policy [pro-Malay policy]" [8, p.265]. Looking at the results of DAP

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RESULTS IN WEST MALAYSIA

Party	Seats	Votes	%
Barisan Nasional	104	1,132,979	61.7
Democratic Action party	9	387,877	21.1
Social Justice party	1	101,504	5.5
Partai Sosialis Rayak Malaysia	0	84,206	4.6
KITA	0	4,609	0.3
Independent People's Progressive party	0	1,356	0.1
Independent	0	124,896	6.8
Total	114	1,837,407	100.0

BREAKDOWN OF BARISAN NASIONAL SEATS

Political Organization	Seats
UMNO	62
MCA	19
PAS	13
GRM	5
MIC	4
PPP	1
Total	104

The Barisan Nasional won all of sixteen seats in Sabah and fifteen seats out of twenty-four in Sarawak. Nine seats in the latter state were occupied by the Sarawak National party.

² The Barisan Nasional is an alliance of the Great Alliance, the Partai Islam (PAS), the Gerakan Rakyat Malaysia (GRM), and the People's Progressive party (PPP).

³ The May 13 Tragedy in 1969 was a racial disturbance after the May 10 election in West Malaysia [1] [7] [18].

(Democratic Action party)⁴ scores in the 1974 election, this is not far from the truth. But, in that article, I could not forecast the formation of the Barisan Nasional and its sweeping victory in the next election. Thus, I think it is necessary to examine the features of political leadership of Tun Razak compared to those of Tunku Abdul Rahman in the historical context of the Alliance government. To approach this problem in this article, I would like to use the functional categories of the modern political sciences. They are: (1) national identity and integration, (2) legitimacy and participation, (3) distribution and penetration, and (4) international accommodation [2] [4].

I. NATIONAL IDENTITY AND INTEGRATION

As everybody knows, Malaysia is a multi-racial society with Malays, Chinese, Indians, and indigenous peoples.⁵ This multi-racial society is a historical outcome of British colonialism in the last century and a half. As I wrote previously, economic development of rubber and tin in the region resulted in the formation of a plural society at the beginning of this century [8, pp.250-53], and each ethnic community maintained its own identity under colonial rule. The Malay had his identity as a Muslim and a subject of the Sultan, keeping his traditional customs.⁶ The Chinese identity was as an immigrant community, and although within the community rivalries existed among the clans,⁷ they still kept their identity as Chinese. The Indians had their identity as a Hindu immigrant community.⁸ The other indigenous peoples, mainly living in Sabah and Sarawak, had their own ethnic identity. Of course, under British colonialization a few English-educated elite emerged in each community.⁹ These few members of the

⁴ See the election result of footnote 1. The DAP was organized as a branch of the People's Action party in 1964 which renamed DAP in 1966. The ideology of DAP is democratic socialism, mainly supported by non-Malay intellectuals and laborers.

⁵ Racial composition of the population according to the 1970 census:

Race	Population	%
Malays	4,886,912	46.8
Chinese	3,555,879	34.1
Indians	942,944	9.0
Dayaks	386,260	3.7
Kadazans	184,512	1.8
Other natives	337,395	3.2
Others	145,628	1.4
Total	10,439,530	100.0

⁶ Malay customs mean pre-Islamic traditions of animistic beliefs, Hindu culture, and the *adat* [3] [11] [16].

⁷ There are five big clans, namely, the Hokkien, Cantonese, Hakka, Tiechius, and Hainanese [19].

⁸ The majority of Indians are Hindu Tamil and estate laborers. They used to go back to their home villages in Madras every two or three years.

⁹ The Chinese and Indians in the Straits Settlements had the chance to learn English at several institutions run by the missionaries. The Malays in the Malayan Peninsula learned

elite could share common value of Westernization, but still maintained their identity as part of an ethnic group.

After the Second World War, the elite organized their own communal political organization, namely, the UMNO (United Malays National Organization), MCA (Malayan Chinese Association), and MIC (Malayan Indian Congress). The object of these organizations was primarily to protect the interests of their respective community. UMNO was organized in 1946 to protest against the Malayan Union,¹⁰ in fear of a political awakening of the Chinese people as equal citizens. UMNO had succeeded in abolishing the union, and the British colonial government organized the Federation of Malaya in 1948, recognizing the special position of the Malays. Thus, the main object of UMNO was to maintain Malay dominance in postwar politics. With MCA, its object in 1949 was to protect the interests of the Chinese establishment, fearing the intentions of the UMNO and also those of the MCP (Malayan Communist party). The latter was a Chinese-dominated organization since its formation in 1927 as the Nanyan Communist party¹¹ and fought against British colonialism in the 1930s. In 1948, it began anti-British military action, protesting against the Federation of Malaya. In the case of MIC, the object of this organization, in 1946, was to protect the interests of the Indian community.

In 1952, UMNO and MCA formed an Alliance to contest the Kuala Lumpur election.¹² Then in 1955, MIC joined the Alliance to fight the election of the Legislative Assembly.¹³ This meant that the Alliance was primarily a coalition for the election. But, the leadership of each organization was held by English-educated elite who had common class interests as members of the establishment. But, of course, they kept their own communal interests. This meant that UMNO tried to keep hegemony in the Alliance and MCA and MIC tried to fight for their own communal interest.¹⁴

This Alliance was led by Tunku Abdul Rahman¹⁵ who was the president of UMNO from 1951 to 1970. The Tunku was supported not only by the Malay community but also by non-Malays mainly due to his personality and moderate communal policy. While he studied in London for the second time in 1946,

English at the Malay College, established in 1905 at Kuala Kangsar.

¹⁰ The Malayan Union covered the entire peninsula plus Penang Island, under the control of a governor-general, and gave common citizenship to the inhabitants [22, pp.35-52].

¹¹ The Nanyan Communist party was renamed the Malayan Communist party in 1930. During the Second World War, it fought against the Japanese invasion.

¹² The Alliance won nine out of eleven seats.

¹³ The Alliance won fifty-one out of fifty-two seats.

¹⁴ In the 1955 election, the UMNO won thirty-four seats running thirty-five candidates. The MCA candidates won all fifteen seats and two MIC candidates won their seats.

¹⁵ Tunku Abdul Rahman was born on February 8, 1903 the fifth son of Sultan Abdul Hamid Halim Shah of Kedah. The Tunku enrolled at St. Catherine's College, Cambridge, graduating in 1925. He was the first Kedah Malay to graduate from an English university. In 1931, he joined the Kedah civil service, serving as district officer in various districts in the state. After the Second World War, he entered politics and cooperated with Dato Onn in

he met Tun Razak.¹⁶ In 1949, he returned to Malaya and, in 1951, he succeeded to the presidency of UMNO from Dato Onn.¹⁷

In 1955, the Tunku became the president of the Alliance and, in 1957, prime minister of the independent Federation of Malaya. During his terms as presidency of the Alliance, and prime minister of the Federation of Malaya and Federation of Malaysia, he worked for a policy of national integration based on racial harmony. This is shown in his speech at the UMNO General Assembly in April 1957, just before the independence of Federation of Malaya. To those Malays who were unwilling to compromise with the other communities, the Tunku said that the history and racial make-up of Malaya should be borne in mind while studying the commission's report,¹⁸ and asked: "How can we seize all rights for ourselves alone? Will the other races keep quiet? Will the world allow us to make the other races suffer?" It was statesmanship of this caliber that saved the UMNO from serious rift within itself [21, p.60]. His idea of national integration was to preserve the rights of the Malays and to save the fundamental rights of non-Malays in the new federation. This idea was clear in the 1957 Constitution of the federation. It read that: (1) the state religion is Islam but freedom of other religions is guaranteed; (2) citizenship of non-Malays is guaranteed; (3) the national language is Malay but other languages can be used within ten years; and (4) the special position of the Malays is preserved. But, his idea was opposed by the PMIP (Pan-Malayan Islamic party)¹⁹ who advocated the formation of Malaya as a Malay and Muslim state. Because of this difference, during the leadership of the Tunku, PMIP had stood against UMNO as the opposition party.

organizing the UMNO. In 1946, he left for England to resume his legal studies and became a barrister in 1949 at the age of forty-six. Later, he became president of the UMNO, succeeding Dato Onn [15] [24].

¹⁶ Tun Razak was born on March 11, 1922 at Pahang, a son of Orang Kaya Indera Shahbandar, Dato' Hussain bin Mohd. Taib. He was educated at Malay College, then Raffles College in Singapore. In 1947, he was awarded a scholarship to study law in England and passed the Bar Final Examination in 1949. In England, he was the secretary of the Malay Society of Britain, while the Tunku was president. In 1952, he was appointed state secretary of Pahang and, in 1955, acting chief minister of Pahang. In August 1955, he resigned from the civil service to run in the federal election which he won. In 1950, he was elected a leader of the UMNO Youth Section as one of its vice-presidents [24].

¹⁷ Dato Onn was born in 1895. He joined the Johore civil service and became chief minister of Johore. In 1946, when he was district officer at Batu Pahat, he organized the UMNO to protest against the Malayan Union. He was the founder-president of UMNO, but in 1951, he left UMNO to organize the Independence of Malaya party as the non-communal organization. But, he failed to get support of non-Malays, then he organized the pro-Malay communal party, Party Negara in 1955. This party also failed to get support from the Malays and he passed away in 1961 [21].

¹⁸ Great Britain, Colonial Office, *Report of the Federation of Malaya Constitutional Commission* (1957).

¹⁹ The ideology of the PMIP, expressed by Dr. Bruhanuddin, president, was to realize the aspirations of Islam and re-establish Malaya as a Malay country.

In 1961, the Tunku declared the formation of Malaysia. After many twists and turns, Malaysia was formed in 1963. In Malaysia, the Tunku stood against the idea of a "Malaysian Malaysia" [12] advocated by the chief minister of Singapore, Lee Kuan Yew. This advocacy might have been interpreted by the Tunku as meaning that the Chinese would try to seize political hegemony in the new federation. He continued to appeal to the idea of racial harmony, preserving Malay dominance in politics. This meant that the Tunku had realized the economically weak position of the Malays and the necessity of the political dominance of the Malays as before. Finally, he decided for the separation of Singapore from Malaysia and could save Malaysia as a constitutional monarchy, preserving the dominance of the Malays.

In 1967, facing the introduction of a National Language Bill, the Tunku had tried to preserve the usage of English, Chinese, and Tamil as the languages that Malay would be translated into. From the point of racial harmony, the Tunku thought it necessary to use these languages as before. But, his idea was strongly opposed by the Malay youth in the UMNO and also by PMIP. Since then, the Tunku lost support in the UMNO and the defeat of the Alliance in the general election of 1969²⁰ has resulted in his retirement after twenty years leadership in Malayan politics.

In 1970, Tun Razak became the prime minister, taking place of the Tunku. Tun Razak had been the right-hand of the Tunku since he was appointed deputy prime minister in 1957. He is about twenty years younger than the Tunku, but both studied in London in 1947 and 1948 and Tun Razak was secretary of the Malay Society of Britain when the Tunku was president. Then, in 1950, he was elected leader of the UMNO Youth Section becoming one of the vice-presidents. In 1951, he was elected deputy president of the UMNO and has been re-elected to this position ever since. In 1957, he was appointed deputy prime minister and minister of defense in the independent Federation of Malaya. Then, in 1959, he was made second prime minister of the federation during the short period when the Tunku took leave before the general election of 1959. In the same year, the Tunku returned to his seat as prime minister and Tun Razak became minister of rural development in addition to the former two ministers. As prime minister, the Tunku had tried to create national integration based on racial harmony; and as minister of rural development, Tun Razak had tried to uplift the economic situation of the rural Malay through economic planning. From the First Development Plan of the Federation of Malaya (1956-60) to the present Second Malaysia Plan (1971-75), Tun Razak has been the top man who has formulated, implemented, and evaluated these development plans. These efforts have given him an image of leader of economic development for the Malays and made non-Malays fear him.

Just after the general election of 1969 and the May 13 Tragedy, Tun Razak

²⁰ The Alliance lost twenty-three seats falling from eighty-nine to sixty-six. Among them, MCA lost around half of its seats going from twenty-seven to thirteen. The UMNO lost eight seats.

became the chairman of the National Operations Council.²¹ He returned the situation to one of law and order and also proposed a New Economic Policy²² to eradicate economic disparity among races and regions. This policy was interpreted as strengthening the Malay-first policy more than before. In July 1970, he proclaimed an order²³ which would prohibit the public discussion of sensitive issues such as citizenship, national language, the special position of the Malays, legitimate rights of other races, and supremacy of the Sultan. Then, on August 30, 1970, the Tunku gave his resignation²⁴ and on the next day, the King proclaimed the Rukunegara (belief in God, loyalty to King and country, support of the Constitution, sovereignty of law, good behavior, and morality). This declaration was interpreted as making Malay identity national identity. For the Malays, the Rukunegara might be easily accepted as a national ideology but to the non-Malays, it would not be so easy to internalize these principles.

Then, on September 22, 1970, Tun Razak became prime minister and in February 1971, he introduced an amendment of the Constitution. This amendment prohibits criticism of (1) the status of the Sultan, (2) Islam as the state religion, (3) the Malay language as the official language, (4) the special position of the Malays, and (5) citizenship regulations. This meant that Tun Razak implemented the Rukunegara into the Constitution and tried to strengthen national integration based on Malay-oriented national identity. Only the DAP (Democratic Action party) and PPP (People's Progressive party)²⁵ opposed this amendment in the House of Representatives and there was no opposition in the Senate.²⁶

In 1972, Tun Razak suggested the formation of the Grand Alliance. In February, the Alliance formed the coalition with the GRM (Gerakan Rakyat Malaysia)²⁷ in the state of Penang, and in April, with the PPP in the state of Perak.²⁸ Then, in September, the PAS (Partai Islam)²⁹ joined the Grand Alli-

²¹ The National Operations Council operated as the political power to keep order and to normalize the parliamentary system from May 17, 1969 to February 17, 1971.

²² Mohammad Ghazalie bin Shafie spoke on the New Economic Policy before the Dewan Degara (Senate) on March 5, 1971. First, the eradication of poverty irrespective of race; second, the restructuring of society through the modernization of rural life, a rapid and balanced growth of urban activities, and, above all, the creation of a Malay commercial and industrial community [23, p.301] [17].

²³ Emergency (Essential Power) Ordinance, No.45, July 30, 1970.

²⁴ The Tunku expressed the Rukunegara in his speech of resignation and the King declared it the next day.

²⁵ The PPP is the non-Malay communal party which advocated the acceptance of Chinese and Tamil as the official language and equal citizenship, based on *jus soli*. The influence of this party is centered on the state of Perak, mainly in Ipoh.

²⁶ There were 125 ayes and 17 nays in the House of Representatives and 40 ayes in the Senate.

²⁷ The GRM was the non-communal party of intellectuals formed to promote racial harmony. It won eight seats in the 1969 election. But, after the election, in August 1971, it split, and since then, it has been led by Lim Chong-ya, who had been chief minister of the state of Penang. The coalition of the Alliance and the GRM in the state of Penang made the majority of seventeen seats in the state assembly out of twenty-four seats.

²⁸ The coalition of the Alliance and the PPP made a majority of thirty-two seats out of forty

ance in the House of Representatives and in December they formed a coalition government in the state of Kelantan. Thus, at the beginning of 1973, Tun Razak had succeeded in forming the Grand Alliance. In April 1974, he changed the status of Kuala Lumpur as a Federal Territory.³⁰ Then, in August, he made an amendment of the Constitution to increase the quorum of the House of Representatives from 144 to 154.³¹ This amendment meant the strengthening of the Barisan Nasional in the coming election. In August 1974, as mentioned earlier, Tun Razak and his Barisan Nasional succeeded with a sweeping victory in the election.

Looking back on the political leadership by the Tunku, the Alliance had faced two oppositions. One was the PMIP and the Malay-first policy. This meant that the PMIP opposed the Tunku's racial harmony as conceding too much to the non-Malays. The others were the SF (Socialist Front)³² in the earlier period and the DAP in the later. These political parties opposed the Alliance from the point of socialist ideology and an anti-Malay-first policy. With the latter, I wrote that "the conservatism of the non-Malay upper class and their accommodating attitude towards Malay interests and demands is interpreted by the non-Malay working class as a sign of Malay domination. As a result, their radicalism along class lines tends also to be anti-Malay in orientation" [8, pp. 264-65].

To compare to the Tunku, Tun Razak has intensified the Malay-first policy and has succeeded not only in compromising with the PAS but also with the PPP and the GRM. The coalition of the Alliance and the PAS might be easily understood as consensus for the Malay-first policy. But, the coalition of the Alliance with the PPP and the GRM might be understood as common interests running the respective state governments and also the same socioeconomic status of the leaders of each parties. In conclusion, I think that the Tunku's leadership in the Alliance was based on the compromise among the three political organizations of UMNO, MCA, and MIC and tried to keep the racial harmony as much as possible. Compared to this, Tun Razak's leadership was based on Malay dominance in politics and tried to correlate Malay identity with national identity. Also, he tried to form a national integration through the Barisan Nasional, taking consideration of class interests.

in the state assembly of Perak.

²⁹ There were 190 ayes and 94 nays for discussing the coalition with the Alliance at the PAS meeting.

³⁰ This meant that the Kuala Lumpur constituency of the state assembly of Selangor, where the opposition party had the majority, was left out from the state legislative assembly.

³¹ The increase of quorum was two in Kelantan, Selangor, and Pahang and one in Kedah, Penang, Perak, and Trengganu.

³² The SF was a coalition of the Labour Party of Malaya (mainly non-Malay laborers) and the Partai Rakyat (mainly Malays) to oppose the sultanate system and the Malay dominance from 1958 to 1966.

II. LEGITIMACY AND PARTICIPATION

Before the British control of Malaya, there were several sultanates in the peninsula. The legitimacy of these sultanates depend on their descent from the Malacca Sultanate created at the beginning of the fifteenth century. I once said that "the Malay Empire of Malacca was founded in 1402 as part of the Hindu Empire [Srivijaya] by Iskandar Shah who fled from Palembang under the attack of the Majapahit Empire. The third ruler of the Malacca Empire converted from Hindu to Islam and was entitled as the Sultan. Since then, each Malay state in the Malay peninsula is ruled by a Sultan who is also final authority concerning religious affairs of the state" [8, p.251].

British colonial control of the peninsula, which began at the end of eighteenth century,³³ formed three types of administration. They were the Straits Settlements (SS),³⁴ the Federated Malay States (FMS),³⁵ and the Unfederated Malay States (UFMS).³⁶ Within the latter two administrations, the British preserved the authority of the Sultan as the agent for indirect rule of the states. Of course, during the British colonial administration, final authority over the peninsula was held by the king of Great Britain. But, in the Islamic religion and Malay customs, the British authorized the power of the Sultan.³⁷ As a result, the Malay community kept its unity under the Islamic religion and loyalty to the Sultan. Added to this, during the colonial period, the British created the English-educated Malay elite as subordinates to the colonial administration.³⁸ And, these small numbers of English-educated Malays formed a ruling class in due time. In the non-Malay community, two types of ruling class emerged: one formed by wealth and the other, by English education.

When the Federation of Malaya was formed in 1948 as a British colony, the supremacy of the Sultan was recognized and English-educated Malays began to take important roles in politics and administration. In politics, the Malay elite organized the UMNO in 1946 to protest against Malayan Union. First president of the UMNO was the late Dato Onn bin Ja'afar who belonged to a ruling family in the state of Johore. Like his grandfather, father, and two elder brothers, he was also a *mentri besar* ("chief minister") of Johore, a post which he resigned in 1951. The second president was the Tunku who belonged to the royal family of Kedah. The third president of the UMNO was Tun Razak who belonged to the ruling family of Pahang. This meant that top leadership of the UMNO had been taken over by three English-educated elites who be-

³³ In 1786, the East India Company took over Penang from the Sultan of Kedah.

³⁴ The SS was composed of Penang, Singapore, and Malacca, and controlled by the governor.

³⁵ The FMS was composed of Perak, Selangor, Pahang, and Negri Sembilan, and controlled by the British residents.

³⁶ The UFMS was composed of Kedah, Kelantan, Perlis, Trengganu, and Johore, and controlled by British advisers.

³⁷ The Pangkor Agreement between the British government and the Sultan of Perak in 1874 authorized power to the Sultan as protector of the Islamic religion and Malay customs.

³⁸ The Malay College, established in 1905, was an institution for the education of Malay elite to be administrator, through the Malay administrative service.

longed to the sultanate or ruling family and had served as civil servants. This meant that legitimacy in Malay political leadership originated from traditional leadership of the Malay sultanate and then mixed with modernizing values of English education. In transitional society, the fountain of legitimacy depended on a mixture of ascription and achievement. Added to this, the bureaucracy,³⁹ mainly led by Malay elite, composed the stronghold of Malay politics.

Compared to Malay politics, the political leadership of the non-Malay community depended on achievement. For example, the first president of the MCA, the late Dato Tan Cheng-lock, was born in Malacca and later served as a school master. He entered the rubber industry and became a large proprietary planter. Then, he served as a non-official member of several colonial administrations in the Straits Settlements. After the war, he became chairman of the All-Malaya Council of Joint Action⁴⁰ and founder-president of MCA. The second president of the MCA, Tan Siew Sin, is the son of Dato Tan Cheng-lock. The third acting president, Lee San Choong,⁴¹ has been a party politician since the 1959 election. In the case of the MIC, the president between 1954 and 1973, Dato V. J. Santanthan, is the English-educated elite and entered politics. The present president, Dato V. Manicavasagam, was educated in high school, then worked as a land proprietor before entering politics.

Thus, the legitimacy of political leadership in Malayan politics depends on ascription, originating from the sultanate system and on achievement, coming from English education and colonial administration. But after independence, political leadership had to depend on parliamentary democracy.

The British colonial administration introduced municipal and town elections at the beginning of the 1950s. In 1955, the administration began elections for the Legislative Assembly, and the Alliance of the UMNO, MCA, and MIC won a sweeping victory, getting fifty-one seats out of fifty-two. This gave the Alliance the power of the dominant party. Then, in 1957, the Alliance received the independence as the Federation of Malaya, led by the Tunku. Since then, general elections for the House of Representatives have been held in 1959, 1964, 1969, and 1974. At these four elections, the Alliance succeeded in gaining a majority and running the government up to the present. Of course, in these elections, the percentage of the vote for the Alliance has changed: 51.8 per cent in 1959, 58.5 per cent in 1964, and 45.9 per cent in 1969. Seats for the Alliance were 74, 89, and 66 out of 104 in the respective years, and in 1974, 89 out of 114. Of these seats, those of the UMNO were 52, 59, 51, and 62, and those of the MCA were 19, 27, 13, and 19. Undoubtedly the UMNO dominates the Alliance.

³⁹ The bureaucracy of Malaya inherited the British colonial administration. After the war, through the Malayanization of public services, key posts in the bureaucracy were occupied by the Malay elite. Postwar politics of Malaya was led by ex-officers of the bureaucracy.

⁴⁰ The All-Malaya Council of Joint Action was the intercommunal organization opposed to the UMNO.

⁴¹ Lee San Choong was assistant minister of communication and minister of technology, research, and coordination of new villages. Then, he was appointed minister of labor and man power after the 1974 election.

Looking at the results of the election, we can conclude that the Alliance has the position of dominant party and strengthened its legitimacy in political leadership within the framework of constitutional monarchy.

III. DISTRIBUTION AND PENETRATION

The monoculture rubber and tin economy of Malaya was an outcome of British colonial policy in the last century and a half. During this period, the Malays mainly depended on rice farming and fishing for their livelihood. In the rubber industry,⁴² the estates were owned mostly by British and overseas Chinese while small holdings were owned by overseas Chinese and Malays.⁴³ In the tin mining industry [25], dredges were monopolized by the Europeans⁴⁴ and the other tin mines were monopolized by the overseas Chinese.⁴⁵ Added to this, foreign trade and the internal marketing were also monopolized by Europeans and overseas Chinese. Only in government services did the Malays have the majority.

As a result of these economic activities during the British colonial period, an economic disparity among races was created. In 1947, the per capita income of the Malay (M\$258) was estimated to be 39 per cent that of the Chinese (M\$657) [13, p.54]. Ten years later, in 1957, the per capita income of the former (M\$367) was estimated to be 44 per cent of the latter (M\$837) [13, p.56]. Facing this reality, the UMNO-led Alliance government made efforts to lift the living conditions of the Malays through economic planning. Before independence, the British colonial administration implemented a rubber replanting policy in 1952 and organized the Rural and Industrial Development Board (RIDA) in 1951. The replanting policy aimed to plant high-yield rubber to increase production, and was subsidized by the government. The board aimed to lift up the living conditions of the rural Malays by technical training, credit, and marketing reform. In 1956, the Federal Land Development Authority (FLDA) was set up to implement land development for landless and small landholding Malay farmers.

These three agricultural development policies were continued by the Alliance government in 1957 and, in 1961, the government implemented the Second Development Plan. In this plan, the government invested 20.0 per cent of the total budget⁴⁶ in agricultural development. In this category, rubber replanting,

⁴² The racial composition of estate acreage in 1950:

	(Acres)
Europeans	1,474,887
Chinese	329,060
Indians	95,226

⁴³ The racial composition of acreage (1,587,000 acres) of small holdings in 1950 is estimated to have been divided between overseas Chinese and Malays.

⁴⁴ The dredge was introduced to Malaya in 1912. It cost 7 or 8 million Malayan dollars.

⁴⁵ Most of the Chinese mines were gravel pump costing one hundred and fifty thousand Malayan dollars.

⁴⁶ Total budget was 2,651.7 million Malayan dollars.

land development, drainage and irrigation were the main policies. The third aimed to introduce double cropping in the rice bowls of Kedah and Kelantan.

In 1966, the First Malaysia Plan was implemented to accelerate agricultural development and 23.9 per cent of the total budget⁴⁷ was allocated for it. In this category, land development and drainage and irrigation were the two main policies. After the May 13 Tragedy, Tun Razak declared the New Economic Policy of the government intervention into industrialization in July 1969 to accelerate Malay participation in industry. This meant that in spite of government efforts to lift up the economic conditions of the Malays, performance was far from expectation. In 1970, the mean household income per month of the Malay (M\$178.7) was estimated at less than half that of the Chinese (M\$387.4) [14, p.4]. This kind of situation was also analyzed by Riaz Hassan [10].

Facing this reality, the Second Malaysia Plan (1971-75) aimed at eradicating poverty and economic disparity among races and among regions. This plan allocated 26.5 per cent of the total budget⁴⁸ for agricultural development, especially for land development. Added to this, the government strengthened Malay participation in commerce and industry through several public corporations, like MARA (Majlis Amanah Rakyat),⁴⁹ SEDC (State Economic Development Corporation),⁵⁰ PERNAS (Perbadanan Nasional),⁵¹ and UDA (Urban Development Authority).⁵²

Looking at the economic development plans of the Alliance governments, it should be said that the distribution policy of the Alliance laid stress on agricultural development and expected to raise the standard of living of the rural Malays. And, of course, the Alliance made efforts to develop the economic infrastructure and import-substitute industrialization. This industrialization had been developed mainly by foreign and Chinese capital and resulted in the improvement of the Chinese position in urban areas. From this aspect, the Alliance did not ignore the interests of the Chinese. But, after the May 13 Tragedy, the Alliance government strengthened the Malay-first policy, not only in agricultural development but also in industrialization. This might be interpreted by the Chinese as meaning their share in commerce and industry would be reduced.

Now, I would continue the analysis of penetration as one of the institution-building policies of the Alliance government. When the Alliance government gained independence as the Federation of Malaya in 1957, it inherited the administration

⁴⁷ Total budget was 4,550.9 million Malaysian dollars.

⁴⁸ Total budget, originally 7,250 million Malaysian dollars, was revised to 9,350 million Malaysian dollars.

⁴⁹ MARA is the reorganization of RIDA in 1966. It aimed at training and financing for Malays, and also to run businesses such as bus companies.

⁵⁰ SEDC aimed at modernizing rural areas and promoting participation of the Malays in commerce and industry in the states.

⁵¹ PERNAS was set up in 1969 to control trade with the communist countries and to organize joint ventures and promote wholesale, mainly for the Malays.

⁵² UDA was set up in 1970 to build the commercial center in the urban areas for the Malays.

system of the colonial period. At the top are the King⁵³ and the prime minister leading the central government. In the states, there are nine Sultans as rulers,⁵⁴ and chief ministers⁵⁵ lead the state governments. Below the states are district officers,⁵⁶ *penghulus*,⁵⁷ and *ketua kampongs*.⁵⁸ This hierarchy from King to *ketua kampongs* is mainly occupied by Malays, meaning that key posts in the administration are monopolized by Malays. This type of administration mainly functions as a system of keeping law and order.

Then the government faced the necessity of organizing the administrative system to implement economic development. It set up the Economic Secretariat (then, renamed the Economic Planning Unit) in the Prime Minister's Office in 1957 and also posted economic development officers in state governments. Added to this, it organized the Economic Committee of the Cabinet in the central government, and, then, the State Rural Development Committee, the District Rural Development Committee, and the Kampong Rural Development Committee in their respective administrative units. Besides this planning organization, the government set up the Ministry of National and Rural Development, headed by Tun Razak, in 1959, to implement the economic plan. In this ministry, the National Operations Room [20] was organized as the central institution where the plan was developed, checked, and evaluated. Then, the State Operations Room, the District Operations Room, and the Kampong Information Centre were also set up in respective levels of government.

These two planning and implementing organizations from central government to *kampong* became the main network for economic development in the country. The features of the network were: (1) mobilization of traditional administration, (2) leadership of Tun Razak, and (3) utilization of modernizing elite of the Malaysian civil services. But, because of the lack of the modernizing elite, the government set up the Development Administration Unit [6] in the Prime Minister's Office in 1966 to train government officers and also to evaluate administrative systems. The objects of the DAU were decolonization, development, modernization, and efficiency.

Also there was governmental reform in which the Alliance government set up many kinds of government corporations. In agricultural development, there were the Rubber Replanting Board (now, Malaysia Rubber Development Board), the Federal Land Development Authority, the Federal Agricultural Marketing

⁵³ The King of Malaysia is elected from the nine Sultans of West Malaysia every five years.

⁵⁴ The Sultan is the supreme head of the state and also the authority of the Islamic religion.

⁵⁵ The chief minister in the state is one of the elected members of the state legislative assembly and used to be a leader of the majority party.

⁵⁶ The district officers are quite powerful administrators in the state who are appointed from the Malayan civil service (now the Malaysian home and foreign service). There are sixty-eight districts in the peninsula and forty districts in Sabah and Sarawak.

⁵⁷ The *penghulus* are the head of *mukims*, smallest administrative unit, in the district. They receive a monthly income as administrator.

⁵⁸ The *ketua kampong* is the head of *kampong* ("village"). They do not get a regular income, only a yearly bonus.

Authority (FAMA),⁵⁹ the Bank Pertanian,⁶⁰ the Federal Land Consolidation and Rehabilitation Authority (FELCRA),⁶¹ and the National Padi and Rice Authority (NAPRA).⁶² In commerce and industry, there were the Majlis Amanah Ra'ayat, the Federal Industrial Development Authority (FIDA),⁶³ the Urban Development Authority, the Perbadanan Nasional, the Bank Bumiputra,⁶⁴ and the Malaysian Industrial Development Finance (MIDF).⁶⁵ These government corporations were mainly set up to raise the economic conditions of the Malays.

Looking at the penetration efforts of the Alliance government, the main objects might be the implementation of the Malay-first policy. But, I cannot ignore the efforts of the Alliance government in improving the infrastructure of the economy and setting up favorable conditions for industrialization. These were promoted by Chinese and foreign capital. But, also, I must add that the penetration policy of the Alliance left the rest of the non-Malay laborers feeling that they were not favored by this policy.

IV. INTERNATIONAL ACCOMMODATION

When the Federation of Malaya gained its independence in 1957, she was a member of the Commonwealth and immediately formed diplomatic relations with the United Kingdom, Australia, Canada, New Zealand, the United States of America, and Thailand. "Fifteen months before the granting of Malayan independence, Tunjku Abudul Rahman promised his UMNO Party that the country's foreign policy would be 'free from any influence' and would be 'guided by the spirits of Bandoeng and Geneva'" [5, p.37]. But, in the Alliance government's recognition policy of communist countries, Dr. Ismail, formerly ambassador to the United States, stated in October 1958 that "we have decided to recognize all Governments with the exception of the Communist Government of China and Nationalist Government in Formosa. We have not also recognized the governments of the smaller countries in the Soviet Bloc" [5, p.37]. These statements and the international relations of independent Malaya meant that the foreign policy of Malaya was based on an intimate relationship with the West, mainly with the Common-

⁵⁹ FAMA was set up in 1965 to purchase rice, pepper, fish, and other agricultural products from farmers at a minimum guaranteed price, in order to eradicate exploitation from middlemen.

⁶⁰ The Bank Pertanian (Agricultural Bank) was set up in 1969 to give credit to the Malay farmers with an authorized capital of M\$50 million.

⁶¹ The FELCRA aimed at rehabilitating fringe alienation schemes and small land development.

⁶² The NAPRA tried to fix the minimum guaranteed price for rice and to market, process, and store rice.

⁶³ The FIDA was set up in 1965 to implement an industrialization policy, mainly for pioneer industries.

⁶⁴ The Bank Bumiputra (People's Bank) was set up in 1965 to finance indigenous peoples (mainly Malays) to encourage participation in commerce and industry. Loan credits amounted to M\$134 million at the end of 1970.

⁶⁵ The MIDF was set up in 1960 as the financial institution of industry. Loan capital amounted to M\$93.2 million in March 1969.

wealth and the United States. But, in defense, she depended on the military powers of the British and the Commonwealth as before, and did not join SEATO.

In 1959, the Federation of Malaya had diplomatic relations with Ceylon, Denmark, France, West Germany, India, Indonesia, Japan, and Pakistan. In 1961, she also formed diplomatic ties with Belgium, Brazil, Burma, Italy, Netherlands, the Philippines, Saudi Arabia, Sweden, and United Arab Republic and in 1962 with Greece and South Vietnam. In 1961 she was not invited to the Belgrade Conference of Non-Aligned States, in spite of her principle of non-alignment. In the same year, the Tunku proclaimed the formation of Malaysia and he confronted the Sabah claim of the Philippines and also had a confrontation with Sukarno. In spite of these international disputes, he succeeded in forming the Federation of Malaysia in 1963 and maintained the same foreign policy. In 1965, the state of Singapore separated from Malaysia because of internal conflict. In 1966, Malaysia entered the Ministerial Conference for Economic Development of Southeast Asia initiated by Japan, and also entered ASPAC started by South Korea. In the same year, because of political change in Indonesia after the September 30 Incident, the confrontation ceased and diplomatic relations between the two countries were reinstated in 1968.

In 1967, Malaysia played an important role in the formation of ASEAN. The main object of ASEAN was a political association of anti-communist countries during the escalation of the Vietnam War [9, pp. 443-45]. But, I understand that Malaysia tried to keep these regional organizations away from direct involvement in the Vietnam War, cooperating with Japan. In the same year, Malaysia extended diplomatic relations to the Soviet Union and then expanded relations with the East European countries, namely, Bulgaria, Poland, Hungary, Rumania, and Yugoslavia. These relations might be interpreted as ones to open the market of rubber and other primary goods and also to have bargaining powers with China, in the situation of rivalry between it and the USSR.

In September 1970, top leadership of the Alliance government was taken over by Tun Razak. Just before he became prime minister, he appealed for neutrality of Southeast Asia at the Conference of Non-Aligned States in Zambia. His idea was a neutral Southeast Asia, guaranteed by the United States, Soviet Union, and China. In March 1971, he suggested in the House of Representatives that Malaysia should not recognize Taiwan as the representative government of China. But, he added that Malaysia should not close the consulate in Taiwan because of Chinese support of the Malayan Communist party. Then, in May, Malaysia sent a trade mission to China to negotiate the export of rubber and the import of machinery, chemicals, and foods. This was the first step in the normalization of relations between Malaysia and China. In August, the Chinese trade mission visited Malaysia and a trade agreement was signed. In October, at the United Nations, Tun Razak supported the Albanian proposal to push China's membership in. In November, at the ministerial conference of ASEAN, Tun Razak succeeded in having the resolution for Southeast Asia neutrality adopted.

In February 1972, President Nixon visited Peking. In September, Japan normalized diplomatic relations with China. In February 1973, the Vietnam War

was over and the thaw of the cold war in Asia appeared more evident. In October 1972, Tun Razak visited Moscow and in November, Malaysian government mission visited Peking. In March 1973, Malaysia withdrew from ASPAC and in June set up diplomatic relations with North Vietnam. In May 1974 Malaysia began diplomatic relations with China. This means that Tun Razak had succeeded in realizing his idea of neutrality through diplomatic relations with the United States, Soviet Union, and China.

The process of the international accommodation of Malaya and Malaysia may be interpreted as a typical process of accommodation of a small country to international politics. During the leadership of the Tunku, because of the cold war in the region, Malaysia kept her stand with the allies to the West and after the thaw of the cold war, she adapted to the new situation. I must add that Tun Razak has succeeded in allaying Chinese uneasiness to his Malay-first policy through diplomatic relations with China. This may be clear by the sweeping victory of the Barisan Nasional in the recent election. But, we cannot ignore the presence of the Malayan Communist party and the Democratic Action party. They are signs of the existence of a socialist ideology and an anti-Malay-first orientation, which cannot compromise with Tun Razak's policy.

CONCLUSION

Political leadership of the Federation of Malaya and the Federation of Malaysia has been held by the Alliance party. This Alliance was composed of UMNO, MCA, and MIC and led by the English-educated elite and the have-classes of the respective ethnic groups. But among them, UMNO has kept the hegemony in the Alliance. This is the result of (1) the British colonial system which made use of the Sultan and the Malay elite as the agents of indirect rule, (2) the political awakening of Malay elite after the war to protest against the Malayan Union and organize the UMNO, (3) the unification of the Malay society, under the Islamic religion and the loyalty to the Sultan, and (4) compromise of the upper class of non-Malay society to Malay-based politics to protect their vested interests. In this article, I have tried to analyze the components of the Alliance leadership from four aspects: (1) national identity and integration, (2) legitimacy and participation, (3) distribution and penetration, and (4) international accommodation.

As for the first aspect, the leadership of the Tunku was based on racial harmony within the framework of Malay-based politics and that of Tun Razak was based on the Malay-first policy to make Malay identity the national identity. The second aspect is that the legitimacy of Malayan politics was based on the ascription and achievement, and as long as Malay-based politics continues I would say that ascriptive values will be alive in the future. The appointment of Hussein Onn as deputy prime minister in 1974 may be interpreted as a fact of ascription, since he is the son of the late Dato Onn, the founder of UMNO. As for participation, I must set high values on the success of the Alliance in respective elections. The third aspect is that economic planning and implementation had been aimed

at lifting up the economic conditions of the Malay, taking consideration of the interests of non-Malays. But, in spite of the efforts of the Alliance government, the economic disparities among the races and regions have not yet been overcome. The fourth aspect is that the Alliance has succeeded in accommodate to international politics in due course. Especially, the success of the diplomatic relation with China has given Tun Razak a favorable position internally and internationally.

The May 13 Tragedy in 1969 and the thaw of the cold war in Asia in 1972 and 1973 gave the political leadership of the Alliance influence. The top leadership had changed from the Tunku to Tun Razak and the latter put forward the Malay-first policy in internal politics and also pursued the neutrality of Malaysia in international politics. At present the choice of Tun Razak may be highly evaluated as a reasonable one in the historical context of Alliance leadership. But, in conclusion, I must point out that the Malay-first policy will invert the discontent of non-Malay laborers and radicals and the neutrality of Malaysia will depend on the relations among the three big powers, namely, the United States, Soviet Union, and China.

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After I wrote this article, there were large-scale farmer and student demonstrations in West Malaysia, protesting against inflation and the lowering of primary good prices. The government arrested more than one thousand students (mostly Malay) and said that the cause of the movement was manipulation by the Malayan Communist party under cover of the Chinese Language Society. In contrast to this statement, Danzil Peiris said in the *Far Eastern Economic Review* (January 10, 1975) that the movement may be interpreted as an "emerging rural revolution." I cannot say anything about this movement, but one thing may I add is that the government again faces the problem of eradicating rural poverty, in spite of its efforts in rural development for the Malays.

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