



# IDSS COMMENTARIES (06/2003)

*IDSS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of IDSS.*

---

## CRISIS OF CHINESE POLITICS IN MALAYSIA'S RULING COALITION

Joseph Liow\*

12 March 2003

### Introduction

Recent intramural crises in the two Chinese partners of Malaysia's ruling *Barisan Nasional* (BN) or National Front have raised questions about the future of Chinese parties in the multiracial coalition. Indeed the current twists in the long-standing factional conflicts in the Malaysian Chinese Association and the related tensions between MCA and *Gerakan Rakyat Malaysia*, may even threaten BN's continued relevance in Malaysian politics.

With dissent brewing in the dominant Malay partner, UMNO (United Malays National Organisation), over the leadership succession after Prime Minister Mahathir Mohammad's departure, and the still-smarting political wounds after its 1999 election reverses, the internal crises in MCA and the quarrels between MCA and *Gerakan*, are bound to have a detrimental impact on BN's political fortunes.

Some unnerving signs have already surfaced. At the November 2000 Lunas by-election in Kedah, a constituency with a substantial number of Chinese voters, it was Chinese votes, ironically, that delivered the seat to the Malay opposition candidate from *Parti Keadilan*. In assessing the future of Chinese politics in the coalition, three ongoing issues dominate: (1) internal crisis within the MCA, (2) MCA-*Gerakan* tensions, and (3) the interest and encroachment of UMNO into Chinese politics within the BN. A critical question is whether the MCA under a new leadership will continue to be willing to play a subservient role or press for more concessions from UMNO in the interests of the Chinese community.

### Problem One: The MCA internal crisis

After delivering resounding support for the BN at the 1999 General Election, the Chinese community, and MCA in particular, had expected a bigger political role in the coalition in the form of extra ministerial posts. When this did not materialise, a split within the MCA began to emerge as disgruntled party leaders blamed President Ling Liong Sik for the failure to negotiate a greater representation for the party. Contending factions took shape when Ling later retracted a verbal agreement to support party Vice-President Chan Kong Choy's promotion to Deputy President in favour of his own candidate.

Internal politicking was further intensified with the purchase of Nanyang Press Holdings, which publishes two influential Chinese language dailies, by the party's investment arm, Huaren Holdings. Ling rationalised the purchase as "a willing-buyer; willing-seller situation". The decision was however challenged by MCA Deputy President, Lim Ah Lek, who had abstained during the vote to purchase Nanyang Press at an emergency MCA presidential council meeting, and who feared that the papers would be used as a "mouthpiece" for Ling.

Despite the Ling faction's victory, the feud between the party's top two leaders became public. Later the Lim faction boycotted a MCA Presidential Council meeting called at the behest of UMNO to discuss disciplinary action against two Penang state assemblymen who had gone against the whip of BN and abstained in a vote against an opposition proposal.

Deputy President Lim, supported by a "Gang of Eight" including Vice-presidents Chan Kong Choy and Chua Jui Meng, MCA Youth leader Ong Tee Keat, and Wanita MCA deputy Tan Tee Yew, indicated that he was prepared to challenge Ling for the party presidency. This contest has been delayed following Prime Minister Mahathir's intervention, but is likely to take place at the next party elections scheduled for 2005.

### **Problem Two: Resurgence of the MCA-Gerakan feud**

*Gerakan Rakyat Malaysia* was formed in 1968 by an MCA splinter group. Originally a multi-ethnic party, *Gerakan* has over time transformed into a Chinese-dominated political party with a stronghold on Penang. While both are component parties of the BN coalition, MCA and *Gerakan* have for a long time been engaged in a struggle to be the primary Chinese political party in Malaysia.

The most recent MCA-*Gerakan* standoff occurred in the aftermath of the 1999 General Election campaign, though it originated in an internal feud within *Gerakan*. After Penang State Chairman Koh Tsu Koon successfully saw off a challenge from his deputy Goh Cheng Teik, the latter, together with state assemblymen Lim Boo Chang and Lim Chien Aun, quit the party along with 400 supporters. This internal crisis became a BN issue when MCA later announced that they had accepted the two Lims as members.

The significance of this move lay beyond the "unfriendly" nature of MCA's actions. The assemblymen held two of *Gerakan's* ten state assembly seats in Penang. With their defection to MCA, which held nine seats, the numerical balance has been tilted in favour of MCA. Not surprisingly, this has heightened *Gerakan's* long-standing suspicions that MCA was bent on usurping its leadership of the Penang state government, a position it had held since 1974.

Tensions between the two Chinese parties mounted over the Penang Outer Ring Road Project (PORR) in Penang. When two MCA assemblymen, Lim Boo Chang (formerly with *Gerakan*) and Tan Cheng Liang, abstained in a BN vote against a DAP motion to defer the RM1 billion highway project, *Gerakan* joined with UMNO to demand that the two representatives be expelled. MCA came to the defence of Lim and Tan by alleging that Penang *Gerakan* head and Chief Minister Koh Tsu Koon had not issued voting instructions to BN state assembly representatives. In response *Gerakan* National Chairman Lim Keng Yaik accused MCA Penang State Chairman Wong Kam Hoong of deliberately instigating Lim and Tan to adopt an anti-PORR position to challenge *Gerakan*.

### **Problem Three: Racial Politics and Malay Dominance**

Casting a shadow over MCA internal politics and the MCA-*Gerakan* feud is the role that UMNO has played and will play in future in the Chinese politics within BN. Prevailing opinion suggests that MCA President Ling Liong Sik's political survival is increasingly dependent on the good graces of Prime Minister Mahathir, who had rejected several requests by Ling to resign from his Transport Ministry portfolio.

Under Ling Liong Sik, the MCA is perceived to have been too accommodating of UMNO's pre-eminence within the BN. When UMNO government leaders proposed the re-introduction of English in national schools, Chinese education movements such as Suqiu and DJZ (Dong Jiao Zong) vehemently protested the policy and its implications for Chinese education. The MCA however, put up token resistance, and only in the face of intense pressure from the Chinese community did Ling seek a compromise with UMNO to exclude the introduction of English in Chinese-medium schools, as UMNO had initially suggested. Given the continued importance of cultural and educational issues to the Chinese community in Malaysia, the MCA's perceived inability to defend Chinese interests from encroachment by the Malay-dominated government in this instance has been taken as a demonstration of the party president's weakness.

Likewise, Prime Minister Mahathir's controversial proclamation that Malaysia was already an Islamic State was hotly debated by non-Muslim leaders of the opposition as well as NGOs, but MCA remained conspicuously silent. When UMNO demanded that the MCA take disciplinary action against the two state assemblymen from Penang for abstaining in a vote against the DAP's motion to defer the PORR project, MCA relented and suspended them "indefinitely" despite the obvious fact that the Penang BN whip had failed to rally votes.

Such incidences have directed attention to MCA's powerlessness in the face of UMNO pressure. This weakness has been seized upon not only by the opposition DAP, but by Chinese NGOs and pressure groups as well. More importantly, they may well provide ammunition for the cannons of elements within the MCA who have been lobbying for Ling's resignation and change in the party.

Given UMNO's prevailing predicament after the Anwar episode and the unpredictability surrounding Malay support for UMNO during the next General Election, Mahathir will be reluctant to see a leadership change in MCA. That said, an erosion of Chinese support for Ling might yet force his hand. Ling Liong Sik is already under intense pressure to depart from the MCA scene not only by the Team B faction, but by his own allies who are concerned for their fortunes in the event of a Lim Ah Lek victory. Ling's problems have been compounded both by the fact that Mahathir Mohamad is himself about to retire, and by the ongoing corruption trial of Soh Chee Wen, who allegedly had business relations with Ling's son, Ling Hee Leong. These developments appear to be signals for Ling himself to relinquish his position rather than risk defeat in a contest with Lim Ah Lek without Mahathir's and UMNO's overt support.

Such a scenario will inevitably generate questions about the shape of Chinese politics within BN in the post-Mahathir era. In this respect, the events and implications surrounding ethnic politics in Penang are particularly telling on several fronts. First, by pressuring MCA to expel the two "errant" representatives, UMNO would surely have been aware of the real possibility of them shifting their loyalties to the opposition. In such an event, Chinese representation in the MCA and *Gerakan* in Penang would have been reduced, perhaps

opening the way for UMNO to stake a claim to lead the Chief Ministership by virtue of its majority representation. Second, it is also interesting to note that the pressure from within UMNO came not from Mahathir, but his deputy and heir-apparent, Abdullah Badawi. This could certainly be revealing of Badawi's position on the fragile multi-racial fabric of BN politics, seeing that as head of Penang UMNO, Badawi could have an interest in having the state government headed by UMNO.

## Conclusion

There is little question that the continued relevance of the MCA as the main representative of Chinese interests in the ruling coalition in the context of Malaysia's communal-based politics is in doubt. While the opposing factions in the MCA jostle for advantage they run the risk of jeopardising the future of the party as a whole if they demand more concessions from UMNO. Likewise, the MCA-*Gerakan* feud within the coalition government threatens the cohesion of BN, and could well be capitalised upon by the DAP, which has abandoned its ill-fated alliance with PAS and is waiting to regain electoral ground it lost to MCA and *Gerakan* at the November 1999 General Election.

Ironically, the fate of MCA and of Chinese politics in the BN may well lie not in MCA or *Gerakan* hands, but in the hands of UMNO. UMNO has faced defiance from MCA before, such as the MCA challenge in the late 1950s led by Dr. Lim Chong Eu (who later went on to be a co-founder of *Gerakan*), and it has always prevailed. It is not likely that UMNO will make any concessions in the face of MCA pressure in the post-Ling era, or from *Gerakan* for that matter. Given such a situation, unless internal bickering within MCA and between MCA and *Gerakan* is halted, a significant Chinese contribution to another BN electoral victory on the scale of November 1999 appears an increasingly unlikely prospect.

---

\* Joseph Liow is a Doctoral candidate at the London School of Economics and Associate Research Fellow at the Institute of Defence and Strategic Studies.