



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

RSIS COMMENTARIES

RSIS 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 the S.Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS. Due recognition must be given to the author or authors and RSIS. Please email: RSISPublication@ntu.edu.sg or call (+65) 6790 6982 to speak to the Editor RSIS Commentaries, Yang Razali Kassim.

No. 101/2014 dated 28 May 2014

UMNO's Terengganu Crisis: Managing Legacy and Reform

By Che Hamdan Che Mohd Razali and Afif Pasuni

Synopsis

The recent crisis in the state of Terengganu signalled the strong undercurrent of the old political legacy in Malaysia's ruling party UMNO. The extent of its impact in Terengganu as well the wider political arena deserves close scrutiny.

Commentary

THE RECENT political crisis in the ruling UMNO in the state of Terengganu seems similar to the one in Perak in 2009 which saw the opposition Pakatan Rakyat losing the state government through party defections. In the Terengganu case it was UMNO that almost lost control of the state government when three of its assemblymen, including the chief minister, Ahmad Said resigned.

Although they eventually rescinded their decision, the episode raises questions about the dynamics of politics in the east coast state of the Malaysian peninsular.

Legacy of feudal politics

The legacy of feudal politics played a key role in internal power-brokering in Terengganu. For instance when the chief minister of 2004-8, Idris Jusoh, dropped several UMNO division chiefs and introduced 15 new candidates for the 2008 election, the decision was met with resistance within UMNO. Thus despite winning the election, Idris Jusoh still had to succumb to the pressure which led him to forsake the chief minister's position. In more recent times, political rivalry persisted as various division heads and state legislators threw their support for differing camps.

Thus despite winning the election in Terengganu last year, the UMNO leadership there was not on solid ground. This was further compounded by the marginal win with UMNO winning 17 seats in the 32-seat state assembly - only two more than the opposition. Furthermore in the UMNO party election held last year, UMNO division chiefs aligned to the recently-resigned chief minister Ahmad Said were defeated, further weakening his position.

Enter a new chief minister

PM Najib Razak's decision to appoint Ahmad Razif as Terengganu's new chief minister on 12 May 2014 was not unexpected. After intervention by PM Najib, Ahmad Said rescinded his resignation and the status quo was

restored ensuring that the resource-rich state did not fall to the opposition.

UMNO is clearly at odds between embarking on an internally unpopular political transformation and succumbing to the legacy of old politics. While the former would essentially be the party's long-term objective, the more immediate concern is to avoid unnecessary defections and intra-party crisis.

As seen in the Terengganu case, perhaps the most pragmatic way for Najib to consolidate a factionalised party would be by appointing a neutral leader. While political transformation is a continuous and gradual process with uneasy compromises to maintain political harmony, time is also a factor for UMNO. As a prime minister who just faced his first general election, coupled with BN's waning support, it becomes necessary for Najib to bring reform to the party machinery in each state.

While it is naive to expect reform without resistance, not to consider reform would threaten the relevance of both UMNO and BN. The crisis in Terengganu underscores the urgency of such reforms before the next general election.

Reform with a two-party prospect

While former Prime Minister Abdullah Badawi successfully returned power to UMNO Terengganu in 2004, attempts to reform the party were met with fierce resistance when new political candidates were introduced. PM Najib does not want to take the same route, especially while fending off a much stronger opposition compared to what his predecessors faced.

Looking at the current political development at the state and federal levels in Malaysia, UMNO's hegemony in the northern "Malay belt" states requires stronger leadership. There is a need to recruit young and capable leaders for UMNO's transformation agenda. The process of renewal and transformation should be more daring, even to the extent of preparing for a two-party system that is looking increasingly imminent. The crisis in the state serves as a reminder for Najib to step in and address this growing conflict.

At the same time, the internal crisis and threats of party resignation is a concern not only among politicians but also the younger generation of voters. Exhibiting what is regarded as brash political decisions would almost certainly affect UMNO's popularity. Clearly the embattled factions would logically be more resistant to a new political paradigm that might threaten their dominance.

While some may be asking whether such a crisis could be avoided in the first place, others may already be wondering whether the precedent would be repeated. The time for reform beckons now more than ever.

Che Hamdan Che Mohd Razali is a political science lecturer at Universiti Teknologi MARA Terengganu, Malaysia and Afif Pasuni is an Associate Research Fellow in the Malaysia Programme at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University.