<table>
<thead>
<tr>
<th><strong>Title</strong></th>
<th>From fixed deposits to kingmakers: elections, East Malaysia and federal-state relations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Author(s)</strong></td>
<td>Oh, Ei Sun</td>
</tr>
<tr>
<td><strong>Citation</strong></td>
<td>Oh, E. S. (2013). From fixed deposits to kingmakers: elections, East Malaysia and federal-state relations. (RSIS Commentaries, No. 057). RSIS Commentaries. Singapore: Nanyang Technological University.</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>2013</td>
</tr>
<tr>
<td><strong>URL</strong></td>
<td><a href="http://hdl.handle.net/10220/18317">http://hdl.handle.net/10220/18317</a></td>
</tr>
<tr>
<td><strong>Rights</strong></td>
<td></td>
</tr>
</tbody>
</table>
No. 057/2013 dated 9 April 2013

From Fixed Deposits to Kingmakers: Elections, East Malaysia and Federal-State Relations

By Oh Ei Sun

Synopsis

The East Malaysian states of Sabah and Sarawak are expected to play decisive roles in this general election. While federal-state relations, tense at times, remain generally stable, the political dynamics in the two states are changing.

Commentary

MALAYSIA’S 13th general election, widely characterised as potentially a “watershed” event, will see the East Malaysian states of Sabah and Sarawak, as well as many first-time voters, play a decisive role in determining which way the country will go. Will they vote to retain the ruling Barisan Nasional (BN) coalition, or opt for the opposition alliance, Pakatan Rakyat (PR)?

Out of the 222 seats in parliament, 56 (or over 25%) are in Sabah (25) and Sarawak (31), leading some to label these states as “kingmakers” in the polls that are expected to be closely-contested. In West Malaysia, any potential loss by BN of its predominantly non-Bumiputra seats can be counterbalanced by gains in predominantly Bumiputra seats. This will give a net election result in West Malaysia similar to 2008 when BN only narrowly surpassed PR, and lost its two-thirds majority for the first time. Had Sabah and Sarawak not brought in their 56 seats in the last elections, there could have been a change of government in Putrajaya. That’s how critical these two East Malaysian states are to BN.

The swing phenomenon

Indeed, Sabah and Sarawak enjoy special rights distinct from other Malaysian states, such as state controls over immigration and land matters, that are enshrined in the Malaysia Agreement (MA) of 1963, when Malaya, Sabah, Sarawak and Singapore (the last until 1965) formed Malaysia supposedly as equal partners. The ties between the Federal government and the two East Malaysian states had sometimes been strained in the initial decades after formation of Malaysia as each side manoeuvred and tussled over rights and privileges in a new federation. But as the state governments of Sabah and Sarawak have almost always been formed by BN component parties, the past few decades witnessed no serious contestations in federal-state relations.

The two East Malaysian states have been hailed as “fixed deposit” states for BN for having consistently delivered the bulk of their parliamentary seats to the ruling coalition. While the majority of the East Malaysian parliamentary seats are likely to return to BN in the coming elections, changes in popular sentiments and
heightened awareness of popular rights could well translate into an increase of "swing" seats in East Malaysia. In other words, the slim voting majority could sway to either side of the political divide – what with the Lahad Datu episode throwing into the pot a new factor in unpredictability. It remains to be seen how this “swing” phenomenon will impact federal-state ties.

**Sarawak and BN**

Sarawak under chief minister Abdul Taib Mahmud, in power for more than 30 years, remains the only BN-controlled state government that is not dominated by the United Malays National Organisation (UMNO), the largest BN component party nationwide. In fact, UMNO does not even have a political presence in Sarawak. It is widely understood that the political arrangement between Taib and UMNO - and by extension, between Sarawak and the federal government in Putrajaya - is such that as long as Taib consistently delivers Sarawak to BN, his administration is given virtually a “free hand” to deal with state matters.

But the 2011 Sarawak state election saw PR making significant political inroads, scooping up 15 (or 21%) out of a total of 71 state assembly seats. It is likely that in the upcoming parliamentary elections, many non-Bumiputra and non-Muslim Bumiputra seats may be “swung” and Sarawak BN cannot count on the almost-ironclad victories in these seats as in the past.

Assuming BN is returned as the Federal government with a reduced majority because of fewer seats won in Sarawak, Taib - and Sarawak BN - can still play the role of “kingmaker”. But the smaller number of parliamentary seats will mean fewer bargaining chips for Sarawak when it comes to dealing with the Federal government. In such a scenario, Sarawak will need to shrewdly play its political hand after the polls to safeguard its rights and privileges.

**Sabah’s complicated politics**

Sabah presents a slightly different scenario. Its government is dominated by UMNO, and while the chief minister, Musa Aman, has been in power for ten years and has his own clever ways of preserving state rights and privileges, many political matters ultimately still have to be referred to the federal level. The political dynamic in Sabah is such that political and often ideological delineation among parties or coalitions is not as marked or rigid as in West Malaysia or even Sarawak.

Crossing of party lines by elected representatives is both frequent and commonplace in Sabah, but does not at all seem to tarnish the reputation or electability of the representatives. For example it will not come as a surprise to ordinary Sabahans if elected representatives from whichever side choose to cross over to the winning side for reasons only known to themselves. Musa has led Sabah BN to two overwhelming election victories at both federal and state levels, but defections from BN over the past few years have dented the number of BN seats.

The “state rights” or “state sovereignty” sentiments have reportedly been on the rise in Sabah over the past few years. But these have been overshadowed by the recent incursion into Sabah by Southern Filipino gunmen and the consequent need for national unity in times of crisis. In any case, the state opposition, which continues to be caught up in internal disagreements over allocation of seats, has yet to fully capitalise on any changed sentiment.

But in the end, federal-state relations between Sabah and Putrajaya are unlikely to be strongly affected one way or the other in the near future, as the state winner will still have to work with the Federal government for development needs in the state.

In this general election, Sabah and Sarawak are no longer "fixed deposits" for BN. But they are poised to assume their crucial roles as "kingmakers". This will inevitably alter their bargaining positions in the context of federal-state relations – with an eye on securing a more equitable footing. Assuming it is returned to power, it will be interesting to see how an UMNO-led BN will deal with the changed political landscape.

Oh Ei Sun is Senior Fellow at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University. This is the second of a six-part series by RSIS commentators on the Malaysian general election.