

Need for Reform and Governance Capacities in Asia

Country Report Malaysia



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Executive Summary

Malaysia's political system, which features a concentration of power in the executive branch, limited checks and balances, and semi-competitive elections is classified as an "electoral authoritarian regime." Pluralistic and inclusive elections are held on a regular basis, but they are not fully free and fair. Moreover, political rights and civil liberties are restricted by the use of repressive laws such as the Internal Security Act (ISA), the Official Secrets Act (OSA), the Sedition Act, and the Printing Presses and Publications Act (PPPA). Decision-making is highly centralized in the office of the executive and, at least until recently, a change of government at the national level has been unlikely. Only at the state-level have opposition parties won majorities and taken over governments. The state of freedom in Malaysia for 2010 and 2011, measured in terms of political rights and civil liberties, was characterized by Freedom House as only "partly free." Malaysia also scored fairly poorly on the Bertelsmann Transformation Index 2012's Status (6.13) and Management (5.63) indices.

The ruling National Front (Barisan Nasional or BN) coalition is led by the UMNO (United Malays National Organization) and, at the time of writing, includes 13 parties. Many of these parties represent ethnic groups such as the Malay majority or the Chinese and Indian minorities. In West Malaysia, the most relevant parties in addition to the UMNO include the Malaysian Chinese Association (MCA), the Malaysian Indian Congress (MIC) and the Party GERAKAN. In addition, there are a range of parties in East Malaysia such as the Parti Pesaka Bumiputera Bersatu (United Traditional Bumiputra Party, PBB) and the Parti Bersatu Sabah (United Sabah Party, PBS). The BN, or its predecessor, the Alliance, has always won elections at the national level, in most cases with a two-thirds majority. But in the 2008 elections, the opposition parties Parti Islam SeMalaysia (Pan-Malaysian Islamic Party, PAS), the Democratic Action Party (DAP) and Parti Keadilan Rakyat (People's Justice Party, PKR) won 80 seats and gained majorities in five states, among them the two most economically successful states of Penang and Selangor. These parties then formed the coalition Pakatan Rakyat (Peoples' Alliance), which has held together despite tensions between the social democratic DAP and the Islamist PAS. Today, the opposition is more cohesive than it was at the beginning of the century when the Barisan Alternatif (Alternative Front), the predecessor of the Pakatan Rakyat, crumbled in 2001 in the wake of serious ideological disagreements between the DAP and PAS on issues involving Islam. Today, they can point to their solid performance in Penang and Selangor, where they gained majorities for the first time in 2008 despite skirmishes between PAS and its coalition partners governing the state of Kedah. Moreover, the opposition has begun making inroads into East Malaysia – usually a stronghold of the BN – receiving considerable support in urban centers during the 2011 Sarawak state elections.

The Pakatan Rakyat depends strongly on opposition leader Anwar Ibrahim (a former UMNO deputy president and deputy prime minister) to keep the members of the coalition together and

muster public support. Anwar Ibrahim is Prime Minister Najib Razak's main competitor in a political system characterized by what one analyst called "personalized politics." Anwar Ibrahim's ongoing sodomy trials are often cited as an example of this. Having served six years in prison of a nine-year sentencing on charges of homosexuality, he now faces an appeal of his 2004 acquittal.

This repeated attempt to imprison Anwar Ibrahim must be considered within the context of a strengthened oppositional reform movement that is deeply entrenched in civil society. The Bersih 2.0 ("Walk for Democracy") demonstration in July 2011, a follow-up to the 2007 rally calling for free and fair elections, drew up to 50,000 people, according to various estimates. Now supported by 62 NGOs, Bersih 2.0 demands, inter alia, a clean-up of the electoral roll, a reform of the postal ballot system, the use of indelible ink, longer campaign periods, free and fair access to mass media for all parties, a strengthening of public institutions, and a fight against corruption. However, the demonstration in July of 2011 was forcibly dispersed with violence by the police, which made 1,667 arrests.

Inter-religious and inter-ethnic relations appear to have deteriorated somewhat during the period under review. Despite Prime Minister Najib's introduction of the "1Malaysia" campaign signalling his support for closer and more amicable inter-religious and inter-ethnic relations, the atmosphere changed little as his government did little to reprimand right-wing groups, such as Pertubuhan Pribumi Perkasa (Indigenous Empowerment Organization, Perkasa). Prime Minister Najib announced at the beginning of his mandate his intention to improve relations between ethnic groups (or "races" according to official parlance in Malaysia) and to limit *bumiputera* (ethnic Malay) privileges through policies based on affirmative action. Indeed, following a serious economic downturn precipitated by the 2008 global financial crisis, the government allowed for majority share ownership of companies without requiring participation by *bumiputera* equity shareholders in 27 service subsectors. Moreover, foreign ownership of existing stockbroker companies can now reach up to 70% (previously 49%). But opposition by Malay supremacists is so strong that more sweeping reforms are improbable. Racist NGOs such as Perkasa, together with many UMNO supporters, who are part of the clientelistic networks spun by the government, fear an erosion of *bumiputera* privileges. Prime Minister Najib therefore defended the controversial concept of Malay supremacy (Ketuanan Melayu) at the UMNO party congress in 2010. The government's stance on *bumiputera* policy is, at best, ambivalent. Economic necessities demand changes to the approach, but UMNO still relies heavily on the electoral support of Malays.

As for religion, Najib delivered a speech to the UN General Assembly calling for a "Global Movement of the Moderates" from all faiths to fight extremists. In April 2010 the government formed a "Committee to Promote Inter-Religious Understanding and Harmony" in line with the "1Malaysia" concept. Nevertheless, inter-religious relations remained tense. In January 2010, 12 churches were fire-bombed after the decision of a lower court to allow a Catholic newspaper to

use the word “Allah.” This was the apex of a fierce public debate on whether non-Muslims may use this word – a practice common in Arab countries. In March 2011, 5,100 Malay-language Bibles were stamped with “For Christians Only” on the cover; and in May, the newspaper Utusan Malaysia concocted stories about an alleged plot by Christian priests to establish some kind of Christian state in Malaysia. In August 2011, officials from the Selangor Islamic Department (JAIS) raided an annual thanksgiving dinner because of an alleged attempt to proselytize Muslims. These incidences ignite fear and desperation among non-Muslims and those Muslims who are not interested in kindling resentments.

Prime Minister Najib presents himself as a reformer. Indeed, his more conciliatory foreign policy approach (especially in comparison to former Prime Minister Mahathir’s often abrasive style) is particularly helpful in improving relations with neighboring countries. Malaysia actively takes part in a range of international organizations and fosters multilateral relations within ASEAN and ASEAN-initiated institutions and meetings or fora such as ARF, ASEM, the East Asia Summit etc. This mostly represents the continuation of a policy style begun under former Prime Minister Abdullah Badawi. It has to be kept in mind though, that Malaysia’s economic ties with the members of the above-mentioned institutions tend to be bilateral in nature, bringing into question their relevance.

In September 2011, Prime Minister Najib announced the intention to repeal the Internal Security Act (ISA) and three emergency proclamations that are the basis of many repressive laws. But he introduced two new laws under article 149 (“Special Laws against Subversion”) of the Federal Constitution, which allow for introducing new restrictive provisions. In November 2011, he presented a Peaceful Assembly Bill, which actually further regulates public assembly. His approval ratings were quite good in 2010 and 2011, though still lower than those of his predecessor, Prime Minister Abdullah Badawi, shortly before he fared badly in the general elections of 2008. The support for Najib is probably connected to Malaysia’s economic recovery from the turbulent global financial crisis of 2008 and 2009. In 2011, the economy expanded 5.1% year-on-year after a 7.2% growth rate in 2010.

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Outlook

The BN has launched a Government Transformation Program (GTP) and the New Economic Model (NEM), the latter intended to serve as the foundation of the Economic Transformation Program (ETP) introduced in September 2010. The ETP is a comprehensive project aimed at driving income growth in Malaysia. Its stated goals include increasing gross national income (GNI) to \$523 billion by 2020 and per capita income from its current level of \$6,700 to a minimum of \$15,000 in the same time period. A 6% annual GNI growth rate is necessary to achieve these aims. Various sectors for development have been identified and are categorized as National Key Economic Areas (NKEA). However, growth is expected to slow down in 2012 (4%–4.5%) due to weaker external demand. Moreover, since Malaysia's export-driven economy may be affected by poor growth rates in North America and the eurozone debt crisis, demand may weaken. At the same time, fiscal deficits have to be reduced, but the introduction of a goods and services tax failed because the government feared losing public support in the upcoming election.

Against this background of uncertainties, it seems that the government has realized that the country may lose its competitive advantages if they do not succeed in developing high value-added and knowledge-based industries. However, in order to achieve this goal, the government must reform the education system to create the kind of human capital capable of significantly strengthening research and development capacities. Domestic investment levels must also be increased. Companies are reluctant to invest in R&D because of their concerns regarding public policies, including those involving property rights linked to affirmative action-type policies. This prevents entrepreneurial firms from upgrading their technology to improve the quality of their products.

Inter-ethnic and inter-religious relations will probable remain problematic. The Islamization that started in the 1970s has resulted in a strengthening of orthodox Muslims and also of Islamist forces within the opposition (PAS) as well as within UMNO. Islamization is in many ways connected to a stronger pronouncement of Muslim-Malay identities. Within UMNO, Islam is politicized in order to defend the pro-*bumiputera* policies. Although Prime Minister Najib's "1Malaysia" concept is more rhetoric than substantive. Moreover, some racist interest groups such as Perkasa are becoming more assertive. Inter-ethnic and inter-religious relations will be strained for years to come.

Today, Malaysia is caught in a middle-income and an authoritarianism trap. The country needs to reform its fiscal, economic, social and labor policies, but this necessitates a fundamental restructuring of the entire political system involving the introduction of free and fair elections, the provision of full civil rights and political liberties, fora for open debates, and a regular turnover of governments. But Malaysia's authoritarianism is deeply embedded within a system of *bumiputera* policies and patronage, and is supported by a racist consensus among the Malay elite as well as an illiberal consensus among BN members. To many observers, a transition to some form of

electoral democracy is possible – potentially after the next national elections. The general election will have to be held before April 2013. Prime Minister Najib will have to win back the two-thirds majority, or otherwise face major opposition within UMNO.

There are already debates on what could happen if the BN regime fully dissolves. If the Pakatan Rakyat wins the next elections, tensions may be further played up by the BN. It is hardly conceivable that the current government would cede power without making use of its repressive apparatus. There is a strong racist, highly anti-liberal and violence-prone undercurrent within UMNO. Moreover, it is relatively easy to incite hatred by stressing religious themes. And the UMNO-controlled Malay-language press can mobilize thousands of Malay chauvinists in order to harass members of the opposition.

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Status Index

Quality of Democracy

- S 1 Electoral Process
- S 2 Access to Information
- S 3 Civil Rights
- S 4 Rule of Law



S 1 Electoral Process

S 1.1 Candidacy Procedures

How fair are procedures for registering candidates and parties?

Everyone has equal opportunity to become a candidate for election. The registration of candidates and parties may be subject to restrictions only when in accordance with law and if deemed reasonably necessary in a democratic society. This includes protecting the interests of national security or public order, public health or morals, or protecting the rights and freedoms of others.

Legal regulations provide for a fair registration procedure for all elections; candidates and parties are not discriminated against. 10
9

A few restrictions on election procedures discriminate against a small number of candidates and parties. 8
7
6

Some unreasonable restrictions on election procedures exist that discriminate against many candidates and parties. 5
4
3

Discriminating registration procedures for elections are widespread and prevent a large number of potential candidates or parties from participating. 2
1

Election procedures discriminate against many candidates and parties. Elections are not fair since basic political rights and civil liberties are restricted. Limitations to press freedoms and to association and assembly rights, as well as unequal representation in government bodies, gerrymandering practices, the manipulation of voter's registration lists and the financial advantages held by the ruling parties each testify to the systematic violation of fairness principles. The opposition does not dispose of any public funds at the federal level. Only in those states where it could gain a majority and fill executive positions is the situation more favorable.

In general, everybody has a chance to become a candidate for election. But many candidates face difficulties because they have to deposit MYR 8,000 (at state elections) or MYR 15,000 (at federal elections) with the Election Commission, which represents one of the highest registration fees throughout the world. The deposit is returned after elections only if the candidate receives at least 1/8 of the total number of votes cast.

The registration of political parties by the Registrar of Society is also often arbitrary. Whereas parties seen to support the BN are quickly registered, other parties face a long wait. It took, for example, years before the PKN (the PKR's successor) was officially registered.

Sometimes, repression is even more direct. In connection with the crackdown on the Bersih movement, six Parti Sosialis Malaysia (PSM) leaders were arrested and detained under the Emergency Ordinance in June 2011.

Citation: Freedom House (2012): *Freedom in the World 2011*, New York

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S 1 Electoral Process

S 1.2 Media Access

To what extent do candidates and parties have fair access to the media and other means of communication?

Every candidate for election and every political party has equal opportunity of access to the media and other means of communication, which allows them to present their political views and to communicate with the voters. Access to the media may not be restricted or refused on grounds of race, color, gender, language, religion, political or other opinions, national or social origin, property, birth or other status.

All candidates and parties have equal opportunities of access to the media and other means of communication. All major media outlets provide a fair and balanced coverage of the range of different political positions. **10**
9

Candidates and parties have largely equal opportunities of access to the media and other means of communication. The major media outlets provide a fair and balanced coverage of different political positions. **8**
7
6

Candidates and parties often do not have equal opportunities of access to the media and other means of communication. While the major media outlets represent a partisan political bias, the media system as a whole provides fair coverage of different political positions. **5**
4
3

Candidates and parties lack equal opportunities of access to the media and other means of communications. The major media outlets are biased in favor of certain political groups or views and discriminate against others. **2**
1

The public sphere is distorted and characterized by heavy government intervention. BN component parties and those of the government have ownership and control of all major TV and newspaper enterprises. UMNO has direct and indirect ownership of the Malay-language *Utusan Malaysia* and *Berita Harian* as well as the English-language *New Straits Times* and TV3. The MCA owns the country's leading English-language newspaper, *The Star*, while the leading Chinese newspapers are owned by businesspeople closely associated with the BN. The government controls TV1 and TV2. Candidates and parties do not have equal access to these media outlets. Open debates on TV are rare. For the most part, the media covers only the BN election campaigns. It could be said that the media system as a whole provides fair coverage of opposing political opinions only when considering the Internet. The opposition party publications, such as *Harakah*, *The Rocket*, etc., are subject to numerous restrictions. The Printing Presses and Publication Act (PPPA) gives the government much leeway to prevent the issuance and renewal of publication licenses.

Citation: Bertelsmann Foundation (2012): Bertelsmann Transformation Index, www.bertelsmann-transformation-index

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S 1 Electoral Process

S 1.3 Voting and Registration Rights

To what extent do all citizens have the opportunity to exercise their right of participation in national elections?

To participate in national elections, every adult citizen must have the right to access an effective, impartial and non-discriminatory procedure for voting and voter registration. Voting rights also apply to convicts and citizens without a permanent residence in the country. No eligible citizen shall be denied the right to vote or disqualified from registration as a voter, otherwise than in accordance with objectively verifiable criteria prescribed by law, and provided that such measures are consistent with the State's obligations under international law. Every individual who is denied the right to vote or to be registered as a voter shall be entitled to appeal to a jurisdiction competent to review such decisions and to correct errors promptly and effectively. Every voter has the right of equal and effective access to a polling station or alternative voting method, including a feasible absentee voting option.

All adult citizens can participate in national elections. All eligible voters are registered if they wish to be. There are no discriminations observable in the exercise of the right to vote. 10
9

The procedures for the registration of voters and voting are for the most part effective, impartial and nondiscriminatory, although occasional. 8
7
Citizens can appeal to courts if they feel being discriminated. 6

While the procedures for the registration of voters and voting are de jure non-discriminatory, cases of discrimination occur regularly in practice. 5
4
3

The procedures for the registration of voters or voting have systemic discriminatory effects. Groups of adult citizens are de facto excluded from national elections. 2
1

Voter registration is generally impartial, but discrimination occurs. Prisoners and detainees are not allowed to vote. Most voters who are not in their constituencies during the elections are not able to vote through the post (for example, the many who live abroad and East Malaysians living in West Malaysia or vice versa). Moreover, voter registration is not effective. In 1999, for example, the Election Commission was not able to certify 680,000 new voters. Electoral rolls are often incomplete and tampered with through multiple registrations, the registration of non-residents etc. The opposition contends that postal voting is heavily rigged, for example among armed forces personnel. Another complaint is that the ruling coalition registers non-resident supporters, particularly in closely contested constituencies. These so-called phantom voters may be registered in apartment blocks that do not exist; an investigation discovered that around 80,000 people were registered at just over 300 addresses.

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S 1 Electoral Process

S 1.4 Party Financing

To what extent is private and public party financing and electoral campaign financing transparent, effectively monitored and in case of infringement of rules subject to proportionate and dissuasive sanction?

This question refers to the obligations of the receiving entity (parties and entities connected with political parties) to keep proper books and accounts, to specify the nature and value of donations received and to publish accounts regularly.

Please note that this question also includes an assessment of how effectively funding of political parties and electoral campaigns is supervised (monitored by an independent body such as electoral or parliamentary commission, anti-corruption body, audit institution etc. with checking, investigative, sanction and regulatory powers) and infringements are sanctioned (taking into account administrative, civil and criminal liability).

- | | |
|--|---------------------------------------|
| The state enforces that donations to political parties are made public and provides for independent monitoring to that respect. Effective measures to prevent evasion are effectively in place and infringements subject to effective, proportionate and dissuasive sanctions. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The state enforces that donations to political parties are made public and provides for independent monitoring. Although infringements are subject to proportionate sanctions, some, although few, loopholes and options for circumvention still exist. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The state provides that donations to political parties shall be published. Party financing is subject to some degree of independent monitoring but monitoring either proves regularly ineffective or proportionate sanctions in case of infringement do not follow. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The rules for party and campaign financing do not effectively enforce the obligation to make the donations public. Party and campaign financing is neither monitored independently nor, in case of infringements, subject to proportionate sanctions. | 2 <input checked="" type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Candidates are allowed to spend MYR 200,000 at federal elections (2003: MYR 50,000) and MYR 100,000 (2003: MYR 30,000) for election campaigning at the state level. In reality, many candidates, especially those from the BN, spend much more. As a government-controlled body, the Election Commission (EC) is not willing to closely monitor party and campaign financing. Candidates must publish an account of their election expenses from nomination until polling day, but the EC does not analyze these accounts. The EC has no authority to inspect party financing or to prosecute legal violations. By law, parties are not required to file a statement of income and expenditure during elections, although they spend an exorbitant amount of money in mustering support. Governing parties possess great financial means and have created a vast patronage network. They own corporate enterprises and have access to local, state, and national budgets. They also receive support from companies seeking benign relations with the government.

Citation: Gomez, Edmund T. (2012): Monetizing Politics: Financing Parties and Elections in Malaysia, in: *Modern Asian Studies*, 46 (5), September, 1370-1397

S 2 Access to Information

S 2.1 Media Freedom

To what extent are the media independent from government?

This question asks to what extent are the media subject to government influence and the influence of actors associated with the government. The question focuses both on media regulation and government intervention. The rules and practice of supervision should guarantee sufficient independence for publicly owned media. Privately owned media should be subject to licensing and regulatory regimes that ensure independence from government.

Public and private media are independent from government influence; their independence is institutionally protected and respected by the incumbent government. **10**
9

The incumbent government largely respects the independence of media, but the regulation of public and/or private media does not provide sufficient protection against potential government influence. **8**
7
6

The incumbent government seeks to ensure its political objectives indirectly by influencing the personnel policies, organizational framework or financial resources of public media, and/or the licensing regime/market access for private media. **5**
4
3

Major media outlets are frequently influenced by the incumbent government promoting its partisan political objectives. To ensure pro-government media reporting, governmental actors exert direct political pressure and violate existing rules of media regulation. **2**
1

The media is permanently subject to government intervention and to the influence of those associated with the government. Due to strict licensing regulations almost all major public media are under the control of the government or members of the BN. The Press Freedom Index, published by Reporters Without Borders, ranked Malaysia at 122nd and 141st for 2011 and 2010 respectively. According to Freedom House, press status for 2010 was deemed “not free” because of book banning, intimidation of bloggers, the denial and cancellation of permits, and a new draft bill to regulate online media.

According to the 1984 Printing Presses and Publications Act (PPPA), publishers and printing firms must obtain official permits annually. The Prime Minister may revoke licenses without judicial review. The home minister can issue show-cause letters asking publishers to explain news contents. *The Star*, for example, was obliged to do so in February 2010 after it published an article criticizing the caning of three women for “illicit sex” under Islamic law. In 2011, the home minister, with reference to the PPPA, refused to issue a publication permit to *Malaysiakini*, the most successful Internet news portal. At the same time, newspapers of opposition parties are routinely subject to government interventions such as distribution limits for *Harakah*, *Suara Keadilan*, *Kabar Era Pakatan* and *The Rocket*. In principle, the Internet is not affected by censorship because of Section 3(3) of the Communications and Multimedia Act (CMA) and the Multimedia Bill of Guarantees. This is part of the government’s ICT promotion and its establishment of the Multimedia Super Corridor. The Internet is the most important venue for gaining independent, critical information via websites like NutGraph, Malaysian Insider and Malaysiakini along with the many blogs. However, one of the best-known bloggers, Raja Petra Kamarudin (*Malaysia Today*), was detained for 56 days in 2008 under ISA charges; he then fled the country. Other bloggers have been charged in 2010.

Citation: Reporters without Borders (2012): Countries under Surveillance: Malaysia,
<http://en.rsf.org/surveillance-malaysia,39718.html>

Steele, Janet (2009): Professionalism Online: How Malaysiakini challenges authoritarianism, *The International Journal of Press/Politics*, 14 (1), 91-111

Tan, Jun-E/ Zawawi Ibrahim (2008): Blogging and Democratization in Malaysia. *A New Civil Society in the Making*, Petaling Jaya

To what extent are the media characterized by an ownership structure that ensures a pluralism of opinions?

This question does not assume that the predominance of either private or public ownership guarantees a pluralism of opinions. Rather, the underlying assumption is that a diversified ownership structure is likely to best represent the views and positions existing in society.

Diversified ownership structures characterize both the electronic and print media market, providing a well-balanced pluralism of opinions. Effective anti-monopoly policies and impartial, open public media guarantee a pluralism of opinions. **10**

9

Diversified ownership structures prevail in the electronic and print media market. Public media compensate for deficiencies or biases in private media reporting by representing a wider range of opinions. **8**

7

6

Oligopolistic ownership structures characterize either the electronic or the print media market. Important opinions are represented but there are no or only weak institutional guarantees against the predominance of certain opinions. **5**

4

3

Oligopolistic ownership structures characterize both the electronic and the print media market. Few companies dominate the media, most programs are biased, and there is evidence that certain opinions are not published or are marginalized. **2**

1

The media are characterized by oligopolistic ownership structures. Bernama, the state news agency, as well as TV1 and TV2 are controlled by the government. Media Prima Berhad, a corporation linked to UMNO, owns the *New Straits Times*, *Berita Harian*, *Harian Metro*, TV3, ntv7, 8TV and TV9. Utusan Melayu Berhad, also linked to UMNO, controls *Utusan Malaysia*, *Mingguan Malaysia* and *Kosmo!*. The MCA owns *The Star* and 42% of Nanyang Press. The Indian newspapers are closely linked to the MIC. The opposition must rely on publications by the political parties themselves, such as *The Rocket* (DAP) or *Harakah* (PAS). But circulation is limited due to various restrictions. Today, the Internet is the most important venue to reach supporters of the opposition movement. This is a rather new development that started in the late 1990s and is accelerating as user rates multiply.

Citation: Reporters without Borders (2012): Countries under Surveillance: Malaysia,
<http://en.rsf.org/surveillance-malaysia,39718.html>

S 2 Access to Information

S 2.3 Access to Government Information

To what extent can citizens obtain official information?

To assess the accessibility of government information, you should examine

(1) whether a freedom of information act exists or equivalent legal regulations exist,

(2) to what extent do the rules restrict access to information (e.g., exemptions, deadlines for responding to requests etc.) and justify these restrictions, and

(3) whether mechanisms for appeal and oversight exist to enforce citizens' right to access information (e.g., administrative review, court review, ombudsman, commission etc.) You may consult www.freedominfo.org for information specific to your country.

Legal regulations guarantee free and easy access to official information, **10**
contain few, reasonable restrictions, and there are effective mechanisms **9**
of appeal and oversight enabling citizens to access information.

Access to official information is regulated by law. Most restrictions are justified, **8**
but access is sometimes complicated by bureaucratic procedures. Existing **7**
appeal and oversight mechanisms permit citizens to enforce their right of **6**
access.

Access to official information is partially regulated by law, but complicated **5**
by bureaucratic procedures and some restrictions. Existing appeal and **4**
oversight mechanisms are largely ineffective. **3**

Access to official information is not regulated by law; there are many **2**
restrictions of access, bureaucratic procedures and no or ineffective **1**
mechanisms of enforcement.

A freedom of information act (FOI) does not exist and, according to the Minister for Information, Communications and Culture, Rais Yatim, the Malaysian government has no intention of introducing freedom of information legislation. Two of the state governments (Selangor and Penang) ruled by opposition coalitions have recently enacted FOI laws. The Selangor State Assembly passed the Selangor Freedom of Information Enactment, which allows public access to certain state documents. In Penang, access to information is recognized as a “right” and the applicant does not have to justify asking for information. Yet, some NGOs maintain that these laws do not go far enough.

S 3 Civil Rights

S 3.1 Civil Rights

To what extent does the state respect and protect civil rights and how effectively are citizens protected by courts against infringements of their rights?

Civil rights contain and limit the exercise of state power by the rule of law. Independent courts guarantee legal protection of life, freedom and property as well as protection against illegitimate arrest, exile, terror, torture or unjustifiable intervention into personal life, both on behalf of the state and on behalf of private and individual actors. Equal access to the law and equal treatment by the law are both basic civil rights and also necessities to enforce civil rights.

All state institutions respect and effectively protect civil rights. Citizens are effectively protected by courts against infringements of their rights. Infringements present an extreme exception. 10
9

The state respects and protects rights, with few infringements. Courts provide protection. 8
7
6

Despite formal protection, frequent infringements of civil rights occur and court protection often proves ineffective. 5
4
3

State institutions respect civil rights only formally, and civil rights are frequently violated. Court protection is not effective. 2
1

In principle, there is equal access to the law and equal treatment by the law, yet there are exceptions. Politically-related court cases often receive different types of intervention by the executive, raising questions on the independence of the judiciary. The most significant, indeed, notorious examples have been the so-called “Sodomy I” and “Sodomy II” charges against opposition leader Anwar Ibrahim.

During the time under review, there was no effective protection from illegitimate arrest, as the government was still using repressive laws such as the Internal Security Act (ISA), the Official Secrets Act (OSA), the Emergency Ordinance, the Dangerous Drugs Act (DDA) and the Sedition Act. What constitutes official secrets or sedition is vague. Sedition comprises, for example, inciting hatred, promoting hostility between “races” or social classes, or challenging the ruler’s sovereign rights or privileges. Criticism of the government can easily be construed as sedition. The ISA, originally created to fight communist groups, is used as an instrument of intimidation, as it allows the police to detain anyone for up to two years without a trial. Many opposition politicians and NGO activists have been imprisoned under the ISA. The regulation has also been used to persecute demonstrators. Illegitimate arrest under the ISA is a recurring fact in Malaysia. Hundreds of individuals were arrested in 2010 and 2011. In 2009, a Shari’ah court sentenced a woman to six strikes with a cane for drinking beer in a bar. At the beginning of 2010, three women were caned for having extramarital relationships. In 2010 Amnesty International estimated that “as many as 10,000 people each year are subjected to caning in Malaysia, and many of them are foreign nationals,” especially those from neighboring countries like Indonesia. Malaysia has not ratified the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, or the International Covenant on Civil and Political Rights (ICCPR), and Amnesty International sees caning as a form of torture with reference to UN definitions. ISA detainees were also frequently subjected to very harsh treatment that would be considered torture according to international law.

Officials of the Department of Islamic Development Malaysia (JAKIM) can enter private premises without a warrant. In February 2011, the Selangor and Kuala Lumpur state religious departments detained 88 Muslims suspected of khalwat (close proximity to a member of the opposite sex). In August 2011 officers from the Selangor Islamic Department (JAIS) raided the Dream Centre Building during an annual thanksgiving dinner at the Damansara Utama Methodist Church in Petaling Jaya, Selangor, after having been informed of an alleged attempt to proselytize Muslims.

At the Bersih 2.0 rally on 9 July 2011, the police used tear gas and water cannons to disperse demonstrators and arrest 1,667 persons. Already in June, supposed Bersih supporters, identified by their yellow shirts, had been arrested. In February 2011, 109 people were arrested during a demonstration by supporters of the Human Rights Party (HRP) against the novel *Interlok*, which was included in the school syllabus and had been criticized for its supposedly racist content. Moreover, 20 people were killed in police shootings between February and November 2011 alone.

There are four preventive detention laws that allow for suspects to be detained without normal judicial review: the ISA, the Emergency (Public Order and Prevention of Crime) Ordinance, the Dangerous Drugs (Special Preventive Measures) Act, and the Restricted Residence Act. In September Prime Minister Najib announced that the ISA and related emergency ordinances would be abolished. The opposition sees these reforms as a mere publicity ploy in light of the coming elections. The Peaceful Assembly Act, for example, passed in December 2011, restricts, not expands, the right to protest.

Citation: Amnesty International (2010): A Blow to Humanity - Torture by Judicial Caning in Malaysia, www.amnesty.org/en/news-and-updates/report/malaysia-torture-practiced-systematically-widespread-caning-2010-12-06

Amnesty International (2012): Annual Report, Malaysia, www.amnesty.org/en/region/malaysia/report-2012

Bertelsmann Transformation Index (2010 and 2012), Bertelsmann Foundation, www.bertelsmann-transformation-index

Freedom House (2012): Freedom in the World 2011, New York

Human Rights Watch (2012): World Report 2012: Malaysia, www.hrw.org/world-report-2012

Suaram (2011): Malaysian Human Rights Report 2010. Civil and Political Rights, Petaling Jaya

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview, <http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

US Department of State (2012): Country Reports on Human Rights Practices for 2011, <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?dlid=186286>

S 3 Civil Rights

S 3.2 Political Liberties

To what extent does the state concede and protect political liberties?

Political liberties constitute an independent sphere of democracy and are a prerequisite of political and civil society. They aim at the possibility of the formulation, the presentation and the equal consideration of citizens' preferences and are embodied in the codification and unlimited validity of every individual's right to speak, think, assemble, organize, worship, or petition without government (or even private) interference or restraints.

All state institutions concede and effectively protect political liberties. **10**
9

All state institutions for the most part concede and protect political liberties. **8**
There are only few infringements. **7**
6

State institutions concede political liberties but infringements occur regularly in practice. **5**
4
3

Political liberties are unsatisfactory codified and frequently violated. **2**
1

Political liberties are granted, but limits on the right to speak, think, assemble, organize, and worship occur systematically by way of the ISA, Sedition Act, Official Secrets Act, Universities and University Colleges Act, and the Printing Presses and Publications Act. The Sedition Act forbids public comment on sensitive questions, for example, ethnic and religious issues. The right to speak about so-called racial issues, about the privileges of *bumiputera* and about the royal families is curtailed. Freedom of association is restricted by the UUCA, which mandates university approval for establishing student associations. It also prohibits these associations, along with faculty members, from engaging in political activity. Academic freedom is further curbed through instruments such as the "Aku Janji" (I pledge), a declaration of support for the government by civil servants (and undergraduates). With reference to labor associations, the Director-General of Trade Unions (DGTU) can decline or withdraw registration without judicial oversight. The Registrar of Societies decides on the registration of religious and social organizations as well as political parties. The Communist Party and its affiliated organizations are banned. The Human Rights party was refused registration during the time under consideration.

The police often arbitrarily arrests individuals for "unlawful assembly" on the grounds of the Public Order Ordinance and the Police Act. Public assembly is defined as a gathering of five or more persons. In July 2011, for example, nearly 1,700 people were arrested during the Bersih 2.0 demonstrations.

Religious minorities are regularly discriminated against. There are currently 56 sects of Islam deemed "deviant" for not accepting mainstream Sunni interpretation. State-level Shari'ah courts may order Muslims, who are willing to convert, to enter religious rehabilitation centers. According to representatives of religious minorities, non-Muslim places of worship are poorly funded and it is often difficult to build places of worship and to receive permits and land allocations for cemeteries. Proselytizing of Muslims by non-Muslims is forbidden. In some controversial Shari'ah court cases involving disputes over child custody, heritage, etc. between Muslims and non-Muslims, religious minorities perceived the rulings as biased towards Muslims.

Citation: Amnesty International (2012): Annual Report, Malaysia, www.amnesty.org/en/region/malaysia/report-2012

Bertelsmann Foundation (2012): Bertelsmann Transformation Index, www.bertelsmann-transformation-index

Freedom House (2012): Freedom in the World 2011, New York

Human Rights Watch (2012): World Report 2012: Malaysia, www.hrw.org/world-report-2012

Suaram (2011): Malaysian Human Rights Report 2010. Civil and Political Rights, Petaling Jaya

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview,
<http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

US State Department, Bureau of Democracy, Human Rights, and Labor (2011): 2010 International Religious Freedom Report, July-December, www.state.gov/j/drl/rls/irf/2010_5/

US Department of State (2012): Country Reports on Human Rights Practices for 2011,
<http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?dlid=186286>

S 3 Civil Rights

S 3.3 Non-Discrimination

How effectively does the state protect against discrimination based on gender, physical ability, ethnic origin, social status, political views or religion?

This question evaluates policies of state institutions aimed at preventing discrimination. Such an evaluation should refer to the measures taken by these institutions and their impact. The extent of observable discrimination may be used as an indicator for the efficacy of anti-discrimination policies.

Please note that this question also includes an assessment of how effectively the state protects the rights of disadvantaged persons or persons belonging to minorities by positive discrimination measures, special representation rights or autonomy rights.

- State institutions effectively protect against and actively prevent discrimination. **10**
- Cases of discrimination are extremely rare. **9**
-
- State anti-discrimination protections are moderately successful. Few cases of discrimination are observed. **8**
- 7**
- 6**
-
- State anti-discrimination efforts show limited success. Many cases of discrimination can be observed. **5**
- 4**
- 3**
-
- The state does not offer effective protection against discrimination. **2**
- Discrimination is widespread in the public sector and in society. **1**

The constitution provides for equal protection under the law and prohibits discrimination against citizens based on race, sex, religion, descent, or place of birth. In spite of this, there are a range of discriminations of non-Bumiputera, non-Muslims and people with different sexual orientations or gender identities. Thus far, the efficacy of Prime Minister Najib's "1Malaysia" concept is questionable. The "1Malaysia" model is regularly counteracted by racist groups such as Perkasa.

The *bumiputera* ("sons" or "princes of the soil") are officially composed of Malays (approximately five-sixths of the *bumiputera*) as well as other indigenous groups such as the Dayak, Melanau, Bajau, Kadazandusun and Murut. The affirmative action measures of the early 1970s (in higher education, government employment and ownership of businesses) in favor of the *bumiputera* have been unpopular, not only among the Chinese and Indians, but also among those Malays who have benefited very little from the policy shift.

Ethnic Malays dominate parliament, the bureaucracy and the armed forces while UMNO stresses the concept of *Ketuanan Melayu* (Malay supremacy). It portrays itself as the protector of Malay and Muslim rights. Critics of pro-*bumiputera* policies stress the negative effects on the economy at large and contend – in contrast to the government - that the original goal of a *bumiputera* equity ratio of 30% has already been achieved.

Indigenous people generally enjoy the same constitutional rights as others. However, the national human rights commission, SUHAKAM, conducted a national inquiry that found systematic infringements on the rights of the indigenous peoples in their customary land. Among all indigenous peoples, the *bumiputera* provision of the constitution only guarantees the special position of the Malays and natives of Sabah and Sarawak, and thus excludes the so-called Orang Asli (approximately 180,000 people). The Orang Asli belong to the poorest communities in the country and are politically and socially marginalized. Their crude death rate is twice that for Peninsular Malaysians.

Religious freedom is generally respected, but Islam is the religion of the state and deviant teachings, such as Shi'ite Islam and certain Islamic sects, are banned. Apostasy and non-Muslim proselytizing of Muslims are prohibited. Religious minorities frequently suffer temple demolitions and difficulties in finding burial space.

There are different forms of discrimination of LGBT (Lesbian, Gay, Bisexual and Transgender) minorities as well as a widespread condemnation of "deviant" sexual orientations and gender identities. Opposition leader Anwar Ibrahim was accused of breaking the law prohibiting "carnal intercourse against the order of nature." In April 2011, the Terengganu State Education Department sent 66 schoolboys to a camp to receive counseling on "proper" masculine behavior. The National Fatwa Council issued a *fatwa* (religious edict) prohibiting girls from acting and dressing like boys. An annually held Seksualiti Merdeka festival, comprising forums, workshops, performances and film

screenings organized by a coalition of Malaysian NGOs, artists and individuals, was banned by the police in 2011.

The special needs of persons with disabilities are acknowledged. The 2008 Persons with Disabilities Act assures equal access to public transport, housing, education, employment and health care, but compliance with the law is not guaranteed and infringements on the provisions are not effectively sanctioned.

Citation: Abbott, Jason P./Gregorios-Pippas, Sophie (2010): Islamization in Malaysia: processes and dynamics,
in: *Contemporary Politics*, 16 (2), 135-151

Amnesty International: Annual Reports 2011 and 2012, Malaysia,
www.amnesty.org/en/region/malaysia/report-2012

Bertelsmann Transformation Index (2012), Bertelsmann Foundation, www.bertelsmann-transformation-index

Freedom House (2012): Freedom in the World 2011, New York

Human Rights Watch (2012): World Report 2012: Malaysia, www.hrw.org/world-report-2012

Suaram (2011): Malaysian Human Rights Report 2010. Civil and Political Rights, Petaling Jaya

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview,
<http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

Tan, Nathaniel/Lee, John (eds.) (2008): *Religion Under Siege? Linda Joy, the Islamic State and Freedom of Faith*, Kuala Lumpur

US Department of State (2012): Country Reports on Human Rights Practices for 2011,
<http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?dlid=186286>

S 4 Rule of Law

S 4.1 Legal Certainty

To what extent do government and administration act on the basis of and in accordance with legal provisions to provide legal certainty?

This question assesses the extent to which executive actions are predictable (i.e., can be expected to be guided by law).

- | | |
|---|---------------------------------------|
| Government and administration act predictably, on the basis of and in accordance with legal provisions. Legal regulations are consistent and transparent, ensuring legal certainty. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Government and administration rarely make unpredictable decisions. Legal regulations are consistent, but leave a large scope of discretion to the government or administration. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Government and administration sometimes make unpredictable decisions that go beyond given legal bases or do not conform to existing legal regulations. Some legal regulations are inconsistent and contradictory. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input checked="" type="checkbox"/> |
| <hr/> | |
| Government and administration often make unpredictable decisions that lack a legal basis or ignore existing legal regulations. Legal regulations are inconsistent, full of loopholes and contradict each other. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Malaysia ranked 43rd out of 142 countries on the Judicial Independence Index 2011-12 (as part of the Global Competitiveness Index) with a score of 4.7 (maximum score is 7). Rule of law achieved a score of 0.51 (ranging from -2.5 to 2.5) as part of the World Bank Governance Indicators. There is too much discretion in certain parts of government and administration. Being in power for more than half a century, the BN, especially UMNO, has seized the apparatus of state. Because of the close connection between politicians, civil servants and business, existing legal regulations are often ignored or only selectively employed. Some legal regulations are inconsistent and contradictory.

Contradictions within the legal system arise from the different status that exists for Muslims and non-Muslims. There is a dual system of law with Shari'ah courts deciding on specific civil matters as provided for in Article 121 (1A) of the Malaysian Constitution. Shari'ah courts only affect Muslims, but time and again the different legal systems collide in cases of inter-religious marriage, custody rights, etc. In a few cases Islamic authorities have forcibly taken the bodies of recently deceased (alleged) converts in order to arrange for an Islamic burial.

Citation: World Bank Governance Indicators (2011),
<http://info.worldbank.org/governance/wgi/index.asp>

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva,
www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

S 4 Rule of Law

S 4.2 Judicial Review

To what extent do independent courts control whether government and administration act in conformity with the law?

This question examines how well the courts can review actions taken and norms adopted by the executive. To provide effective control, courts need to pursue their own reasoning free from the influence of incumbent governments, powerful groups or individuals. This requires a differentiated organization of the legal system, including legal education, jurisprudence, regulated appointment of the judiciary, rational proceedings, professionalism, channels of appeal and court administration.

Independent courts effectively review executive action and ensure that the government and administration act in conformity with the law. **10**
9

Independent courts usually manage to control whether the government and administration act in conformity with the law. **8**
7
6

Courts are independent, but often fail to ensure legal compliance. **5**
4
3

Courts are biased for or against the incumbent government and lack effective control. **2**
1

The judiciary is well-institutionalized and generally able to review existing laws. Yet, courts only sometimes check the executive. In politically sensitive cases, the government is able to influence, if not determine court decisions. The best examples are the sodomy trials against opposition leader Anwar Ibrahim, especially the first one, which began in 1998, lingered on for many years and was manipulated on many levels. Another example was the constitutional crisis in Perak. In February 2009, when three members of the state assembly defected from the Pakatan Rakyat (PR) to the BN, the chief minister asked the sultan of Perak to dissolve parliament. Surprisingly, he refused and appointed a new chief minister from the BN. The Court of Appeal overturned a decision by the Kuala Lumpur High Court and delivered the judgment that the BN's takeover was in compliance with the law.

The Perak case indicates that courts such as the Kuala Lumpur High Court are not under total executive control. Judges occasionally decide in a way that is unfavorable for the government. On 31 October 2011, for example, the Court of Appeal found unconstitutional a provision in the Universities and University Colleges Act 1971 (UUCA 1971) that restricted the political activities of students.

S 4 Rule of Law

S 4.3 Appointment of Justices

To what extent does the process of appointing (supreme or constitutional court) justices guarantee the independence of the judiciary?

This question regards supreme or constitutional courts' sufficient independence from political influence as a prerequisite of a functioning democratic system. The appointment process is a crucial factor which determines judiciary independence.

The prospect of politically "neutral" justices increases accordingly with greater majority requirements and with the necessity of cooperation between involved bodies. A cooperative appointment process requires at least two involved democratically legitimized institutions. Their representative character gives them the legitimacy for autonomous nomination or elective powers. In an exclusive appointment process, a single body has the right to appoint justices irrespective of veto points; whereas in cooperative procedures with qualified majorities independence of the court is best secured.

When answering the question take also into account whether the process is formally transparent and adequately covered by public media. If your country does not have a supreme or constitutional court, evaluate the appointment process of the appellate court that is responsible for citizens' appeals against decisions of the government.

Justices are appointed in a cooperative appointment process with special majority requirements. 10
9

Justices are exclusively appointed by different bodies with special majority requirements or in a cooperative selection process without special majority requirements. 8
7
6

Justices are exclusively appointed by different bodies without special majority requirements. 5
4
3

All judges are appointed exclusively by a single body irrespective of other institutions. 2
1

Justices are not appointed in a cooperative selection process. Special majority requirements do not exist. A few years ago, in the notorious so-called Lingam case, a tape indicated that the lawyer VK Lingam brokered the appointment of top judges. A Royal Commission of Inquiry formed in 2002 declared in 2008 that former Prime Minister Mahathir, the UMNO Secretary General and the former chief justice had manipulated judicial appointments, but the Federal Court decided in September 2011 that the case is not reviewable. In reaction to the scandal, the Abdullah government established the Judicial Appointments Commission (JAC) in 2008, promising a transparent process for judicial appointments, but Abdullah reserved the right to appoint the members of the commission. According to Prime Minister Najib the selection of justices by the JAC is based on clear criteria, confidential vote and majority decision. The 2009 Judicial Appointments Commission Act prescribes this procedure, and the Prime Minister considers the justices chosen by the JAC. According to the Federal Constitution, the king appoints the Chief Justice on the advice of the Prime Minister. The President of the Court of Appeal, the Chief Judge of Malaya, the Chief Judge of Sabah and Sarawak, and other federal court judges are selected in the same manner, but only after consultation with the Chief Justice. The President of the Court of Appeal must be consulted on the appointment of Court of Appeal judges, and the respective chief judges must be consulted for the appointment of High Court judges. Similar procedures apply for lower levels of the court system.

S 4 Rule of Law

S 4.4 Corruption Prevention

To what extent are public officeholders prevented from abusing their position for private interests?

This question addresses how the state and society prevent public servants and politicians from accepting bribes by applying mechanisms to guarantee the integrity of officeholders: auditing of state spending; regulation of party financing; citizen and media access to information; accountability of officeholders (asset declarations, conflict of interest rules, codes of conduct); transparent public procurement systems; effective prosecution of corruption.

- | | |
|--|---------------------------------------|
| Legal, political and public integrity mechanisms effectively prevent public officeholders from abusing their positions. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Most integrity mechanisms function effectively and provide disincentives for public officeholders willing to abuse their positions. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Some integrity mechanisms function, but do not effectively prevent public officeholders from abusing their positions. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Public officeholders can exploit their offices for private gain as they see fit without fear of legal consequences or adverse publicity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Malaysia was ranked 56th of the 178 countries in Transparency International's 2010 Corruption Perceptions Index (2011: 60 of 183; score 4.3; from 0–10 where 10 is very clean). According to the Open Budget Index, openness was “minimal.” Control of corruption (Worldwide Governance Indicators) stood at 0.12 (scores ranging from -2.5 to 2.5). Although the BN and the government generally stress an uncompromising stance in the fight against corruption, the real motives behind such rhetoric are questionable. Malaysia has ratified the United Nations Convention Against Corruption (UNCAC). The Malaysian Anti-Corruption Commission (MACC), a successor of the Anti-Corruption Agency (ACA), was established in 2008. In June 2011, the MACC reported that it had made 944 arrests in 2010, almost 90% more than in 2009. The public perception is different and there is a widespread feeling that the political and economic elites use public resources at will and usually without facing persecution. The effects of the new Whistleblower Protection Act, introduced in December 2010, are not yet assessable. The Act protects individuals who file complaints against corrupt individuals and grants them immunity from civil or criminal charges, while the Official Secrets Act prohibits the dissemination of classified information. Officeholders do not declare assets. The former Prime Minister introduced a public declaration of ministers' assets, but the reform failed due to widespread resistance within the cabinet. The public procurement system is in most cases not transparent; the preferential treatment of *bumiputera* is the reason provided for channeling government concessions to well-connected businesses. The auditing of state spending and party financing is often shrouded in mystery; the mass media are unable and/or unwilling to investigate corruption cases. Nevertheless, from time to time these elites need high-profile cases to emphasize their willingness and perseverance in fighting corruption, even at the highest level of politics. Two examples are the former Selangor Chief Minister, Dr. Mohamad Khir Toyo, who was charged in connection with his ownership of a bungalow in Shah Alam, and the former MCA president and transport minister, Ling Liong Sik, who was charged because of his involvement in the Port Klang Free Zone (PKFZ) case of 2010. In both cases, prosecution began after the politicians had lost much of their political clout. The opposition criticizes a lack of accountability and transparency in the reporting and dissemination of public finance information, in particular with reference to budgetary expenditure at all levels. Information on the budgets of government-linked companies is sparse, even the state oil company PETRONAS does not report its finances. Pakatan Rakyat supports a fiscal transparency assessment in accordance to the International Report on Observance of Standards and Codes (ROSC).

Citation: Bertelsmann Foundation (2012): Bertelsmann Transformation Index, www.bertelsmann-transformation-index

LooSee Beh (2011): Public Ethics and Corruption in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 171–191

Suaram (2011): Malaysian Human Rights Report 2010. Civil and Political Rights, Petaling Jaya

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview,
<http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

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How successful has economic policy been in providing a reliable economic framework and in fostering international competitiveness?

This question addresses the existence of a government's general strategy to support the future-oriented development of its economy through regulatory policy. Sound economic policy is expected to adhere to the following principles: clear-cut assignment of tasks to institutions, refraining from unnecessary discretionary actions, frictionless interlinkage of different institutional spheres (labor market, enterprise policy, tax policy, budgetary policy) and the coherent set-up of different regimes (e.g. dismissal protection, co-determination rights, efficiency of anti-monopoly policies, income taxation). Countries following these principles are able to increase overall productivity, become more attractive for internationally mobile factors of production and thus raise their international competitiveness.

When answering the question, focus on the use and interplay of different regimes with regard to the aims of economic policy.

Economic policy fully succeeds in providing a coherent set-up of different institutional spheres and regimes, thus stabilizing the economic environment. **10**

It largely contributes to the objectives of fostering a country's competitive capabilities and attractiveness as an economic location. **9**

Economic policy largely provides a reliable economic environment and supports the objectives of fostering a country's competitive capabilities and attractiveness as an economic location. **8**

7

6

Economic policy somewhat contributes to providing a reliable economic environment and helps to a certain degree in fostering a country's competitive capabilities and attractiveness as an economic location. **5**

4

3

Economic policy mainly acts in discretionary ways essentially destabilizing the economic environment. There is little coordination in the set-up of economic policy institutions. Economic policy generally fails in fostering a country's competitive capabilities and attractiveness as an economic location. **2**

1

In line with other states under development in East Asia, former Prime Minister Mahathir implemented a “Malaysia Incorporated” approach. The country is seen as a corporation, with a strong government that plays a major role in development planning and in promoting a supportive environment for private business. The centers of economic policy planning are the Economic Planning Unit (EPU), comprising Prime Minister’s Department, the Ministry of Finance and Bank Negara Malaysia, the central bank. Concerning the set-up of different regimes (dismissal protection, co-determination rights, efficiency of anti-monopoly policies, income taxation) and the clear assignment of tasks to institutions, Malaysia performs quite well, although discretionary policies undermine competitive capability.

The economic environment is generally reliable and the country is internationally competitive, although the pull for international investors has declined in recent years. Property rights of domestic investors are not well-protected due to affirmative action policies, a factor that has hindered direct domestic investment. This in turn undermines R&D with poor outcomes in terms of productivity and value-added products, although the government has established numerous government agencies to help nurture domestic enterprise. A range of quantitative restrictions by the affirmative action policy has distortionary effects. In combination with the pervasive role of government-linked companies, which were created to redistribute wealth, private investment has been constrained. Government-linked companies dominate the utilities sector, transportation and warehousing businesses, agriculture, banking, information communications and the retail trade. This dominance crowds out private investment.

Malaysia is a middle-income country with a GNI per capita of \$7,900. In the World Economic Forum’s Global Competitiveness Report 2010–2011, Malaysia is ranked 26th out of 139 countries. In the World Bank’s Doing Business Index, the 2011 “doing business” ranking for the country was 23rd; its rankings in terms of “Starting a Business” and “Dealing with Construction Permits” were each 111th whereas its rankings for “Getting Credit” and “Protecting Investors” were 1st and 4th respectively. In 2011, Malaysia was one of the most attractive destinations for foreign direct investments in Asia, with inflows of \$11.97 billion (MYR 37.83 billion), an increase of 31.5% from 2010, according to the United Nations Conference on Trade and Development (UNCTAD). However, because of its focus on exports Malaysia is very much dependent on international economic developments. In 2009, for example, FDI reached only \$1.45 billion.

Citation: “Malaysia Asia’s 5th favourite FDI destination,”

www.btimes.com.my/articles/20120706001129/Article/#ixzz22OBOHYrK

Jayant Menon (2012): Malaysia: growth without private investment,

www.eastasiaforum.org/2012/09/12/malaysia-growth-without-private-investment/

OECD (2011): Society at a Glance - Asia/Pacific Edition,
www.oecd.org/social/socialpoliciesanddata/societyataglance-asiapacificedition2011.htm#Download

UNCTAD (2012): The World Investment Report 2012. Towards a New Generation of Investment Policies, http://unctad.org/en/Pages/DIAE/World%20Investment%20Report/WIR2012_WebFlyer.aspx

World Bank (2011): Doing Business 2012. Doing Business in a More Transparent World,
www.doingbusiness.org/reports/global-reports/doing-business-2012/

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva,
www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

How effectively does labor market policy in your country address unemployment?

This question addresses a government's strategies to reconcile the following objectives: unemployment reduction and job security, and balancing supply and demand on the labor market by providing sufficient mobility of the labor force according to the needs of potential employers. To assess labor market policy comprehensively, special emphasis should be placed on the positive or detrimental effects resulting from labor market regulation (e.g., dismissal protection, minimum wages, collective agreements) and from the modus operandi of unemployment insurance.

- Successful strategies ensure unemployment is not a serious threat. 10
9
-
- Labor market policies have been more or less successful. 8
7
6
-
- Strategies against unemployment have shown little or no significant success. 5
4
3
-
- Labor market policies have been unsuccessful and unemployment has risen. 2
1

The Economic Transformation Programme encompasses a Human Capital Strategic Reform Initiative that stresses training and upgrading the workforce; promotes women; introduces unemployment insurance as well as a minimum wage; and increases the retirement age. Labor market policies have been fairly successful in unemployment reduction and job security. The unemployment rate in late 2011 was 3.0%. Malaysia has weak trade unions and stresses employers' rights. According to the World Economic Forum's Global Competitiveness report for 2011–2012, which assesses these indicators from an employer's view, Malaysia is ranked 20th out of 142 countries in terms of labor market efficiency (score 4.9, highest score is 7). Cooperation in labor-employer relations (score 5.4) is ranked 15th, flexibility of wage determination 28th, rigidity of employment 19th, hiring and firing practices 30th, pay and productivity 4th, but redundancy costs 104th. The efficiency of the legal framework in settling disputes is ranked 17th.

Trade unions are not effective employee representatives. For unions to be recognized by the employer, they must prove by secret ballot that the majority of the eligible employees are its members. If recognition is declined, the matter will be decided by the Director General of Industrial Relations. Malaysia lacks a formal unemployment insurance program. Moreover, during the time under consideration there was no minimum wage. Firing employees requires "just cause." Those dismissed can file complaints with the Industrial Relations Department. If no conciliation is possible, the human resources minister refers the matter to the Industrial Court. The entire process may take quite a long time.

Malaysia did not vote for International Labour Organization Convention No. 189 on Decent Work for Domestic Workers. The country does not support efforts by the Association of Southeast Asian Nations Committee on Migrant Workers to protect migrant workers. In 2011, the country had roughly 1.9 million registered migrant workers along with an unknown number of unregistered migrants. There are approximately two million migrant workers from Indonesia alone. Migrant workers, mostly employed as domestic servants, in the agriculture sector or on construction sites, constitute more than a fifth of the labor force in Malaysia. This form of labor recruitment results in low wages, particularly for lower-class Malaysians. Migrant workers face many forms of discrimination. Employers frequently withhold wages, demand very long working hours, withhold travel documents and dismiss employees without just cause. Foreign domestic servants are exempt from protection by the Employment Act and frequently denied any days off, any vacation, any sick leave and any maternity leave. Under the Workmen's Compensation Act, migrant workers do not enjoy the same benefits as local workers registered under SOCSO. Indonesia and Malaysia recently signed a Memorandum of Understanding to improve the conditions for domestic helpers. They are guaranteed one day off per week and can keep their passports.

Citation: "Malaysia not safe for Indonesian migrant workers", The Jakarta Post, 7.5.2012

World Bank (2012): Malaysia Economic Monitor, April 2012: Modern Jobs; http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/04/10/000333037_20120410004410/Rendered/PDF/679440WP0P12750c0Monitor0April02012.pdf

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

US Department of State (2012): Country Reports on Human Rights Practices for 2011, <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?dlid=186286>

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview, <http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

How successful has enterprise policy been in fostering innovation, entrepreneurship and economic competitiveness, and in stimulating private investment?

Private investment includes not only the acquisition of capital stock, but also entrepreneurial transactions aimed at investment, such as developing human capital, the restructuring of companies, establishing new companies, etc.

Enterprise policy has been successful in achieving the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. **10**
9

Enterprise policy has largely achieved these four objectives. **8**
7
6

Enterprise policy has partly achieved these four objectives. **5**
4
3

Enterprise policy has not achieved the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. **2**
1

Malaysia has partly achieved its aim of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. According to data from the World Economic Forum, Malaysia was quite successful in creating a business-friendly environment. Regarding the effectiveness of its anti-monopoly policy, the intensity of local competition and the extent of market dominance, the country was ranked 25th, 26th and 14th, respectively. The country has other strengths in terms of the impact of regulations on FDI (rank 12); the burden of government regulation (rank 8); the ease of access to loans (rank 8); and the legal environment (rank 1 in the legal rights index). In terms of the number of procedures required to start a business (rank 94) and the number of days required to do so (rank 70), Malaysia is far below average.

The economy is dominated by large MNCs exporting manufactured products, such as electronics. State-owned companies are strong in the automotive, public utilities, and oil and gas sectors. Ninety-five percent of businesses are small and medium-sized enterprises (SMEs). In April 2010, parliament passed the Competition Commission Bill 2010 and the Competition Bill 2010. The Commission has investigative and enforcement powers and looks into abuses such as price-fixing, bid-rigging and predatory pricing. A Competition Appeals Tribunal hears appeals of Commission decisions. However, competitiveness is undermined by certain aspects of the pro-*bumiputera* policies; there is an entrenched system of patronage and corruption. As admitted by the government in the ETP, domestic firms have little innovation capacity, which suggests poor entrepreneurship as a result of limited R&D along with a poor quality of the human capital required for such activity. Since checks and balances do not work in an environment of authoritarianism and “money politics,” critics do not expect palpable changes as a result of the Competition Act.

In order to strengthen SMEs, the government has provided access to the Working Capital Guarantee Scheme and the Industry Restructuring Loan Guarantee Scheme, which together combine MYR 10 billion with another MYR 3 billion offered under the Tenth Malaysia Plan. Investments are enhanced by the Malaysian Investment Development Authority (MIDA), the government's chief agency for the promotion of Malaysia's manufacturing and services sectors.

Citation: Gomez, Edmund Terence (2009): The Rise and Fall of Capital: Corporate Malaysia in Historical Perspective, in: *Journal of Contemporary Asia*, 39 (3), 345–381

OECD (2011): *Society at a Glance - Asia/Pacific Edition*,
www.oecd.org/social/socialpoliciesanddata/societyataglance-asiapacificedition2011.htm#Download

UNDP, <http://hdrstats.undp.org/en/countries/profiles/MYS.html>

World Economic Forum (2011): *The Global Competitiveness Report 2011–2012*, Geneva,
www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

To what extent does taxation policy realize goals of equity, competitiveness and the generation of sufficient public revenues?

The objectives of justice and allocative efficiency suggest that taxation policies do not discriminate between different groups of economic actors with similar tax-paying abilities, such as corporate and personal income taxpayers (horizontal equity). Tax systems should also impose higher taxes on persons or companies with a greater ability to pay taxes (vertical equity). Tax rates and modalities should improve or at least not weaken a country's competitive position. However, tax revenues should be sufficient to ensure the long-term financing of public services and infrastructure. "Sufficiency" does not assume any specific ideal level of public expenditure, but refers only to the relationship between public revenues and expenditures.

- | | |
|---|---------------------------------------|
| Taxation policies are equitable, competitive and generate sufficient public revenues. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to achieve one of the three principles. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to achieve two of the three principles. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to realize the following three principles: equity, competitiveness and the generation of sufficient public revenues. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

To a certain degree, Malaysia is achieving its aim of horizontal and vertical equity, but tax revenue is ultimately insufficient. According to the World Economic Forum, Malaysia ranks 16th in terms of the extent and effect of taxation, 48th in terms of a total tax rate (33.7% of profits), and 78th with regard to trade tariffs.

The large deficits evince the need to broaden the tax base and to cut subsidies. Malaysia is over-reliant on direct taxes, although only 1.7 million Malaysians pay income tax. The government intended to implement the new goods and services tax (GST) in 2011, but decided to postpone it until after the elections because of fierce public criticism. In 2010, energy and sugar subsidies were removed, but fuel, for example, is still subsidized.

There are imbalances with respect to horizontal and vertical equity. Net asset income (e.g. financial capital and property gains) are taxed less than salaried incomes. Profits gained on the stock market and by financial transactions are not taxed at all. An inheritance tax was repealed in 1991. In general, taxes on luxury goods have been reduced; the top marginal income tax rate is set at 26% without differentiating between multi-millionaires and the middle class.

The opposition regularly points to the Approval Permits for car imports as an example of a deep-seated patronage system that results in wasting tax money in favor of the rich and well-connected. If the Pakatan Rakyat wins the next elections it intends to cut car duties totaling 105%, although the government would lose an expected MYR 8 billion in annual revenue.

Citation: The Malaysian Insider, "A tale of two classes: Inequalities in Malaysia — S.M. Mohamed Idris", 10.2.2012

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

To what extent does budgetary policy realize the goal of fiscal sustainability?

This question focuses on the aggregate of public budgets and does not assess whether budgets reflect government priorities or induce departments to manage efficiently. Sustainable budgeting should enable a government to pay its financial obligations (solvency), sustain economic growth, meet future obligations with existing tax burdens (stable taxes) and pay current obligations without shifting the cost to future generations (inter-generational fairness).

- | | |
|--|---------------------------------------|
| Budgetary policy is fiscally sustainable. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Budgetary policy achieves most standards of fiscal sustainability. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Budgetary policy achieves some standards of fiscal sustainability. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Budgetary policy is fiscally unsustainable. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Fiscal sustainability is being achieved to a certain degree. Budget consolidation is among the main themes of the New Economic Model (NEM); the government declared its intention to cut subsidies and to increase some taxes. During the period under consideration, it intended to introduce a goods and services tax (GST), but postponed the reform.

According to the World Economic Forum, the government budget balance was -5.1% of GDP, ranking Malaysia 96th in 2010. Gross national savings stood at 33.1% of GDP.

General government debt was 54.2% of GDP, and the country's credit rating received a score of 73.6 (of a possible 100). In 2011, the fiscal deficit reached 5.4% and the Government Debt to GDP ratio was 52.6% (1990: 79.5%; 1997: 31.8%).

Because of the looming national elections, the government tends to spend more money than usual. In October 2011, it presented its new budget, with expected expenses of MYR 232.8 billion. The salary for civil servants is promised to increase by up to 13%. This detail along with cash handouts of MYR 500 for households with monthly incomes of no more than MYR 3,000 have raised eyebrows among observers.

Citation: "Najib Spending Could Risk Downgrade Without Revenue Boost,"

www.bloomberg.com/news/2012-04-25/najib-spending-binge-could-risk-downgrade-without-revenue-boost.html

How effective and efficient are health care policies in your country?

Public health care policies should aim at providing high-quality health care for the largest possible share of the population and at the lowest possible costs.

Of the three criteria – quality, inclusiveness and cost efficiency – efficiency should be given less weight if the first two criteria can be considered fulfilled.

Health care policies provide high-quality health care for a majority of the population and services are efficiently organized. 10
9

Health care policies provide high-quality health care for a majority of the population, but services are inefficiently organized. 8
7
6

Health care policies provide poor-quality health care for a majority of the population and services are inefficiently organized. 5
4
3

Health care policies provide poor-quality health care for a majority of the population. Health care services are underfinanced, overloaded, unreliable and inefficiently organized. 2
1

Malaysia provides high-quality health care for a majority, but the system is still underfinanced and services are inefficiently organized. Two positive indicators are the ratio of health care spending to life expectancy (score 7.82) and the infant mortality rate (score 8.2) (both according to the World Economic Forum). The life expectancy at birth is 74.6 years, yet the country spends only 1.9% of GDP on public health.

Attempts at improving health care provision by way of privatization of medical services are controversial because a huge part of the population cannot afford this kind of treatment. Only 25–30% of specialists and 45–60% of all registered doctors work in the public sector, thus the majority of Malaysians receives a substandard quality of treatment.

Another problem is the low quality of health care among Orang Asli and the indigenous population in the rural areas of East Malaysia (Sabah and Sarawak). Moreover, there is a lack of geriatric facilities, although the proportion of older people is rising. In many cases, families must take care of senior citizens, even if they suffer from diseases such as dementia, depression, etc.

Citation: Ministry of Health (2010): Country Health Plan, Tenth Malaysia Plan, 2011–15, Ministry of Health, http://www.moh.gov.my/images/gallery/Report/Country_health.pdf

UNDP (2012): Malaysia Country Profile: Human Development Indicators, <http://hdrstats.undp.org/en/countries/profiles/MYS.html>

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

To what extent does social policy in your country prevent exclusion and decoupling from society?

Reducing the various risks of social exclusion is a core task of social policy. The prevention of poverty and the provision of enabling conditions for equal opportunity in society are essential elements of such a policy. In addition to poverty, please take also into account additional dimensions of exclusion like the experience of marginalization and the desire to be appreciated when evaluating socioeconomic disparities.

- | | |
|--|---------------------------------------|
| Policies very effectively enable societal inclusion and ensure equal opportunities. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| For the most part, policies enable societal inclusion effectively and ensure equal opportunities. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| For the most part, policies fail to prevent societal exclusion effectively and ensure equal opportunities. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Policies exacerbate unequal opportunities and exclusion from society. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The government is eager to fight poverty. The New Economic Model encompasses the aim to reduce fiscal disparity between the poorest and richest segments of the population. Yet, social inclusion is compromised because the chances for effective political participation in the authoritarian Malaysian regime are low. The political dominance of Malay Muslims and the stress on privileging these groups systematically creates feelings of marginalization and unequal opportunity among non-Malays and non-Muslims. This feeling is particularly widespread among smaller ethnic groups (Orang Asli, indigenous groups in East Malaysia) that also suffer from higher poverty rates, less access to the educational and health system and a lack of political representation. Yet, life satisfaction is generally high, according to Vision of Humanity (score 7.43), and the fight against poverty has been successful. According to the latest World Bank data, the poverty headcount ratio in 2009 stood at 3.8%, compared to 5.7% in 2004 and 15.5% in 1989. Hardcore poverty also declined from 1.2% in 2005 to 0.7% in 2009. Malaysia's HDI score has been increasing steadily for years. In 2011, Malaysia received an HDI score of 0.761 (1980: 0.559) and was ranked 61st out of 187 countries. The UNDP income Gini coefficient had a value of 46.2 in 2011. The GNI per capita in PPP terms (constant 2005 international \$) was 13,685.

Citation: <http://hdrstats.undp.org/en/countries/profiles/MYS.html>

www.visionofhumanity.org

<http://data.worldbank.org/country/malaysia>

To what extent do family support policies in your country enable women to combine parenting with participation in the labor market?

Traditional family patterns confine mothers to opt out of gainful employment and focus on household and child care work, a division of roles that has lost acceptance among an increasing number of women. This question is based on the assumption that an optimal system of family support should enable women to decide freely whether and when they want to remain full-time mothers or take up full- or part time employment.

- | | |
|--|---------------------------------------|
| Family support policies effectively enable women to combine parenting with employment. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Family support policies provide some support for women who want to combine parenting and employment. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| Family support policies provide only few opportunities for women who want to combine parenting and employment. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Family support policies force most women to opt for either parenting or employment. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Malaysia has ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), and the International Labour Organization Convention No. 100, the Equal Remuneration Convention. In 2001, an amendment to Article 8(2) of the Constitution prohibited any form of gender discrimination. The government is trying to achieve the MDGs by 2015 and has introduced a National Women Policy that includes reforms on child subsidies and paternity leave as well as tax exemptions for employers who establish child care facilities. The Tenth Malaysia Plan includes a commitment to build community-based nurseries and day care centers under the Social Welfare Department as well as day care centers in partnership with NGOs.

But women are in many cases not able to decide freely whether and when they want to remain full-time mothers or take up full- or part-time employment. Inflexible work hours, limited opportunities for part-time work, and lack of child care are important obstacles for women to join the labor force. Thus, the women's rate of participation in the labor force was 46.1% in 2010 (global average: 53%), in contrast to a rate of 67% in East Asia. In the Global Gender Gap Index, Malaysia's ranking fell from 72nd in 2006 to 98th in 2010 (97th in 2011). The rankings for economic participation; educational attainment; health and survival; and political empowerment were 95th, 65th, 78th, and 115th respectively. The Malaysian Gender Gap Index, developed in cooperation with the UNDP, indicates similar results: the indices for education and health registered very low inequality, the index for economic participation moderate inequality and the indices for empowerment of women high inequality. The mean age of marriage for women is 25 years. Length of paternity leave in the public sector is one week, whereas in the private sector paternity leave does not regularly exist. In the Global Gender Gap report, the ability of women to rise to positions of enterprise leadership is ranked rather high with a score of 5.78 (maximum score: 7).

Citation: World Economic Forum (2011): The Global Gender Gap Report 2011, Geneva

World Bank (2012): MALAYSIA ECONOMIC MONITOR APRIL 2012 MODERN JOBS, [www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/04/10/000333037_20120410004410/Rendered/PDF/679440WP0P12750c0Monitor0April02012.pdf](http://www.wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/04/10/000333037_20120410004410/Rendered/PDF/679440WP0P12750c0Monitor0April02012.pdf)

United Nations (2011): Malaysia. The Millenium Developments Goals at 2010, Kuala Lumpur

To what extent does pension policy in your country realize goals of poverty prevention, inter-generational equity and fiscal sustainability?

An optimal pension system should prevent poverty among the elderly due to retirement and should be based on distributional principles that do not erode the system's fiscal stability. It should ensure equity among pensioners, the active labor force and the adolescent generation. These objectives may be achieved by different pension systems: exclusively public pension systems, a mixture of public and private pension schemes, or publicly subsidized private pension plans. Accumulating public and private implicit pension debt is undesirable.

- | | |
|--|---------------------------------------|
| The pension policy is fiscally sustainable, guarantees inter-generational equity and effectively prevents poverty caused by old age. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The pension policy fails to realize one of these three principles. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The pension policy fails to realize two of these three principles. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The pension policy is fiscally unsustainable, does not effectively prevent old-age poverty and fails to achieve inter-generational equity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The pension policy does not ensure equity among pensioners, the active labor force and the adolescent generation.

Malaysia has three social insurance schemes: a state-funded scheme for public service workers; a disability insurance for private sector employees under the Social Security Office (SOCSO) funded by a 2.25% levy on wages; and a mandatory old-age savings plan for private sector workers under the Employee Provident Fund (EPF) funded by a 23% contribution on wages. Ca. 5.2 million workers pay into the EPF and the SOCSO fund.

Foreign workers and expatriates earning less than MYR 2,500 a month also contribute to the EPF. Only foreign domestic servants are exempted. The self-employed, domestic servants, seamen and pensioners can take part in the scheme if they wish to.

The opposition, the Pakatan Rakyat, intends to strengthen the Employees' Provident Fund system and to introduce a pension scheme for private sector employees. A National Retrenchment Fund is planned to provide temporary financial support to those who have lost their jobs. Moreover, they want to extend the retirement age to 60 years. The labor force participation rate of those aged 55–64 was only 43.9% in 2010. The age dependency ratio was also unsatisfactory at 54.1% in 2010.

The criticism focuses on the fact that only about 60% of the labor force is protected by social insurance and that those with low incomes are hardly protected against poverty when they become pensioners. In particular, workers in the informal sector, farmers and the self-employed are not covered and face enormous risks. Moreover, the 23% contribution by employees (11%) and employers (12%) into the EPF are relatively high rates. A further problem is the lack of an unemployment insurance system.

Citation: OECD (2012): Pensions at a Glance Asia/Pacific 2011, OECD Publishing, <http://dx.doi.org/10.1787/9789264107007-en>

How effectively do policies in your country support the integration of migrants into society?

This question covers integration-related policies comprising a wide array of cultural, education and social policies insofar as they affect the status of migrants or migrant communities in society. The objective of integration precludes forced assimilation but favors integration by acquisition of nationality.

- | | |
|--|---------------------------------------|
| Cultural, education and social policies effectively support the integration of migrants into society. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Cultural, education and social policies seek to integrate migrants into society, but have failed to do so effectively. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Cultural, education and social policies do not focus on integrating migrants into society. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input checked="" type="checkbox"/> |
| <hr/> | |
| Cultural, education and social policies segregate migrant communities from the majority society. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The situation for migrants or migrant communities in Malaysia is often difficult. The government introduced a program known as 6P, which includes registration, legalization, amnesty, monitoring, enforcement and deportation of foreign nationals in Malaysia. Yet, the country is being criticized internationally for arresting asylum seekers, migrants without proper passports and UNHCR registered refugees. According to the Malaysian Immigration Act 1959/1963, the government does not differentiate between registered UNHCR refugees, asylum seekers and undocumented migrants. Unregistered foreigners are arrested by the notorious RELA (or Ikatan Relawan Rakyat Malaysia; Volunteers of Malaysian People) or other security forces. In mid-2011, RELA had 2.6 million members who are not civil servants. Moreover, the government is trying to reduce the number of refugees through swap agreements with other countries. During the time under review, Malaysia was subject to international criticism when such a refugees swap with Australia was canceled because Malaysia ratified neither the United Nations' 1951 Convention Relating to the Status of Refugees nor its 1967 Protocol. Malaysia would have swapped 4,000 UNHCR registered refugees with 800 asylum seekers from Australia, but the exchange was prevented by the Australian High Court.

Citation: US Department of State (2012): Country Reports on Human Rights Practices for 2011, <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?dlid=186286>

Human Rights Watch (2012): World Report 2012: Malaysia, www.hrw.org/world-report-2012

Suaram (2011): Malaysian Human Rights Report 2010. Civil and Political Rights, Petaling Jaya

Suaram (2012): Malaysia Civil and Political Rights Status Report 2011: Overview, <http://173.230.136.137/wp-content/uploads/2011/12/SUARAM-Overview-2011-Complete1.pdf>

How effectively does external security and defense policy in your country protect citizens against security risks and safeguard the national interest?

This question rests on the assumption that the aims of protecting citizens against security risks and safeguarding the national interest can be achieved by many different ways and combinations of security and defense policies. In addition a combination of various domestic and external policies can achieve an effective protection against new security risks arising from threats like terrorism. On the one hand the effectiveness of these policies depend on the relation between the aims and strategies of the defence policy and the way the military forces are financed, fitted with high-tech and state-of-the-art equipment and supported by a national consensus on the desired defense policy. On the other hand the membership in collective security alliances/organizations/treaties, the internal integration of domestic intelligence communities and their cooperation with regional/international counterparts, the promotion of neighbourhood stability, conflict prevention and assistance/risk containment for failed states are necessary pre-conditions to a successful security policy. Whereas military expenditures alone say little about the effectiveness of external security policy, they have to be taken into account in order to assess the cost/benefit-ratio of these policies.

External security policy protects citizens against security risks and safeguards the national interest very effectively. 10
9

External security policy protects citizens against security risks and safeguard the national interest more or less effectively. 8
7
6

External security policy does not effectively protect citizens against security risks and safeguard the national interest. 5
4
3

External security policy exacerbates the security risks and does not safeguard the national interest. 2
1

In general, national interests are safeguarded and citizens are protected against security risks. Malaysia is a member of collective security fora, promotes neighbourhood stability and cooperates with other countries in Southeast Asia within the ASEAN in many different ways. ASEAN actively engages in confidence building.

Unlike other Southeast Asian countries, the military is financed exclusively through the official national budget. There is a national consensus on the basic premises of foreign and defense policies. The armed forces themselves are criticized for scandals pertaining to the procurement of weapons (e.g., Scorpene submarines and missing jet engines). Moreover, ethnic minorities have difficulties being accepted as soldiers. There is a marked over-representation and dominance of Malays within the armed forces.

Most of Malaysia's bilateral relations with other Southeast Asian countries are cordial. There are minor brawls with Indonesia over migration issues and smaller territorial disputes such as those with the Philippines over parts of Sabah and with Indonesia over the Ambalat area.

The government tries to resolve disputes in the South China Sea through diplomacy and dialogue. In 2011, Malaysia ended a conflict with Singapore over the KTM railway. Malaysia received plots of land in Singapore in exchange for a railway station in Singapore. During the time under consideration, Indonesia lifted a ban on maids working in Malaysia.

Malaysia's foreign policy is essentially pro-Western with a marked focus on multilateralism and on fostering trade relations. The United States is arguably the most important partner of Malaysia through huge investments and security ties. Relations with South and East Asian countries are improving. China has become one of its main trading partners. In a move to improve interreligious relations in his own country, Prime Minister Najib met with the Pope at the Vatican – the second such visit by a Malaysian prime minister – although this was seen by many as an attempt to muster support of Christians in Malaysia. Malaysia sustains good relations with majoritarian Muslim countries in the Middle East, but Najib does not play the Muslim card as Mahathir did in the past.

Malaysia is taking part in creating the so-called ASEAN Community by 2020, that is the ASEAN Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community. This would effect greater political and security interaction, a single market and production base, and a free flow of goods, services and capital investment. It also comprises a notion of a "caring society." Although ASEAN rhetoric is often more impressive than actual results, the organization has furthered confidence building and free trade with the AFTA scheme and the intended implementation of the ASEAN investment area. Confidence building measures include the ASEAN Regional Forum (ARF) and initiatives like the ASEAN Zone of Peace Freedom and Neutrality (ZOPFAN) and the establishment of the Southeast Asian Nuclear Weapon Free Zone (SEANWFZ). ASEAN is also the originator of ASEAN Dialogue Partnerships, ASEAN Plus Three and the East Asia Summit.

Malaysia participates in the UN Commission on Crime Prevention and Criminal Justice (CCPCJ) and the Commission on Narcotic Drugs. The country adopted the Kyoto Protocol

and the UN Framework Convention on Climate Change. It portrays itself as a staunch supporter of the Universal Declaration of Human Rights.

Citation: Johnson, Joshua R. (2010): Cooperation and Pragmatism: Malaysian Foreign Policy under Najib, in: Asia Pacific Bulletin, 63, Washington DC

Khadijah Md. Khalid (2011): Malaysia's Foreign Policy under Najib, Asian Survey, 51 (3), (May/June), 429–452

Saravanamuttu, Johan (2010): Malaysia's foreign policy, the first fifty years: Alignment, neutralism, Islamism, Singapore

How effectively does internal security policy in your country protect citizens against security risks?

This question rests on the assumption that the aims of protecting citizens against security risks like crime, terrorism and similar threats that are more and more internationally organized can be achieved by many different ways and combinations of internal security policies. For example, an effective policy includes objectives such as the internal integration of domestic intelligence and police communities and their regional cross-border cooperation with regional/international intelligence and police communities, the domestic strategy of intelligence and police communities and so on. Whereas expenditures on public order and safety alone say little about the effectiveness of internal security policy, they have to be taken into account in order to assess the cost/benefit-ratio of this policy.

- | | |
|---|---------------------------------------|
| Internal security policy protects citizens against security risks very effectively. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Internal security policy protects citizens against security risks more or less effectively. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Internal security policy does not effectively protect citizens against security risks. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Internal security policy exacerbates the security risks. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

According to the Global Peace Index 2011, Malaysia is rated as “more peaceful” and is ranked 18th out of 153 countries with perceived criminality in society being relatively low. In the 2011–2012 Global Competitiveness Report by the World Economic Forum the country achieved the ranking of 63rd in the category “Business Costs of Crime and Violence” in 2011 (2010 ranking: 93rd). Regarding “organised crime” the country was ranked 54th in 2011. For the reliability of police services, the country was ranked 39th.

The security apparatus consists of different components with partially overlapping competencies. The Royal Malaysia Police has 102,000 members. The Islamic religious enforcement officers at the state level can accompany the police on raids to enforce Shari’ah. RELA (or Ikatan Relawan Rakyat Malaysia; Volunteers of Malaysian People) is a paramilitary civil volunteer corps, with 2.63 million members as of July 2011, that assists the police, for example, in checking the identities of migrants and patrolling high-crime areas. Activities of both RELA volunteers and Shari’ah enforcers are controversial due to frequent reports of malpractice.

The reputation of the police is generally not very good. A Royal Commission report in 2005 came to the conclusion that corruption and unnecessary violence were widespread within the police. The commission proposed the establishment of an Independent Police Complaints and Misconduct Commission (IPCMC), but the government resisted this demand. An Enforcement Agency Integrity Commission (EAIC), launched in April 2011, has thus far received no complaints on abuse of power.

Malaysia belongs to those Southeast Asian countries that have been only marginally effected by Islamist terrorism, although radical views on religion are widespread. The police is criticized for the numerous deaths that have occurred in custody (which are usually not investigated), excessively brutal behavior at demonstrations (in particular at the Bersih protests) and for its style of police investigation, which is based more on confessions than on evidence.

In sum, the security apparatus is effective in protecting citizens against threats such as terrorism. But its harsh security laws undermine the security of certain groups, such as demonstrators, migrants, petty criminals, etc., and it is seen to be subservient to the interests of the executive or those closely aligned with the ruling elite.

Citation: World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

Global Peace Index (2011), <http://www.visionofhumanity.org/gpi-data/#/2012/DIST/>

Ong Kian Ming, “Malaysia safest country in South-East Asia. Really?,” Malaysiakini, 13.7.2012

How effectively does environmental policy in your country protect and preserve the sustainability of natural resources and quality of the environment?

This question covers a government's activities aimed at safeguarding the environment and thereby securing the prerequisites for sustainable economic development.

- | | |
|---|--|
| Environmental policy effectively protects, preserves and enhances the sustainability of natural resources and quality of the environment. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy largely protects and preserves the sustainability of natural resources and quality of the environment. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy insufficiently protects and preserves the sustainability of natural resources and quality of the environment. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy has largely failed to protect and preserve the sustainability of natural resources and quality of the environment. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Malaysian environmental policy insufficiently protects and preserves the sustainability of natural resources and the quality of the environment, especially with reference to forest areas and the pollution of air and water. 18% of all species in Malaysia are endangered; the country is one of the world's most 'megabiodiverse'; and 7.8% of its forests have been lost between 1990 and 2008. A study by Wetlands International found that between 2005 and 2010 almost 10% of forests and 33% of peat swamp forests in Sarawak had been cleared, mainly for palm oil plantations.

Malaysians produce 2.4 tons of CO₂-equivalent greenhouse gases per capita. According to the *Living Planet Report 2012*, Malaysia's ecological footprint indicating consumption was 3.9 global hectares a person in 2008 (the latest available data); biocapacity in the same year stood at 2.5 global hectares per person. The average in the region Asia & Pacific for these two values was 1.63 and 0.86, respectively. In the Environmental Performance Index (EPI) by Yale and Columbia universities, Malaysia is ranked 54th of 163 countries.

Malaysia's energy consumption is increasing rapidly; the energy generating capacity rose from 13,000 MW in 2000 to 15,500 MW in 2009. The country utilizes abundant renewable sources of energy, but power stations depend mostly on fossil fuels. The energy mix is dominated by natural gas and coal. Hydropower plants contribute only 13% to electricity generation.

The government supports the Agenda 21, the Rio Declaration on Environment and Development, and the UN statement of principles for the sustainable management of forests. However, the enforcement of its environmental regime is weak. Because of the system of nepotism and money politics, major companies have all sorts of opportunities to circumvent regulations. In Sarawak, for example, the Chief Minister Abdul Taib Mahmud has controlled a huge part of the regional economy for decades and has hardly been prevented from exploiting natural resources there. A similar situation prevails in the state of Sabah, with serious allegations of impropriety involving the Chief Minister and his brother, both senior UMNO members.

Sustainability and environmental policy are not important topics to most Malaysians, but civil society has become stronger and awareness is on the rise. One example is the social movement that recently emerged in reaction to plans involving the construction of a new plant by a rare earths mining company, the Australian Lynas Corporation Ltd. Moreover, protests were ignited in Manjung, Perak, because of a MYR 4 Billion iron ore hub and jetty project; in Pengerang, Johor, over a MYR 20 Billion Petronas Refinery and Petrochemical Integrated Development project; and in Sarawak regarding the Murum and Baram Dams.

Citation: United Nations (2011): Malaysia. The Millennium Developments Goals at 2010, Kuala Lumpur

Living Planet Report (2012),
http://wwf.panda.org/about_our_earth/all_publications/living_planet_report/

“New figures: palm oil destroys Malaysia’s peat swamp forests faster than ever”, 1.2.2011,
www.wetlands.org/NewsandEvents/NewsPressreleases/tabid/60/articleType/ArticleView/articleId/2583/Default.aspx

“Malaysia’s Green Movement Goes Political,” 21.7.2012, www.ipsnews.net/2012/07/malaysias-green-movement-goes-political/

To what extent does research and innovation policy in your country support technological innovations that foster the creation and introduction of new products?

This question comprises subsidies and incentives for research institutions conducting basic and applied research, as well as subsidies and incentives for establishing start-up companies that transfer scientific output into products and enhanced productivity. Bureaucratic impediments to research and innovation should also be taken into account.

- | | |
|---|---------------------------------------|
| Research and innovation policy effectively supports innovations that foster the creation of new products and enhance productivity. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Research and innovation policy largely supports innovations that foster the creation of new products and enhance productivity. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Research and innovation policy partly supports innovations that foster the creation of new products and enhance productivity. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input checked="" type="checkbox"/> |
| <hr/> | |
| Research and innovation policy has largely failed to support innovations that foster the creation of new products and enhance productivity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Research and innovation policy partly supports innovations that foster the creation of new products and enhance productivity. But if Malaysia wants to catch up with advanced industrial societies, it must significantly improve its education system and the conditions and incentives for research and development (R&D). In the New Economic Model (NEM), the government has pledged to strengthen innovation and R&D. In the Tenth Malaysia Plan (2011–2015), development of human capital and improvements in innovation capacity are stressed. Investment in R&D is planned to reach at least 1% of GDP by 2015, still a very poor rate compared to other industrial countries in Asia – Japan (3.4%), South Korea (3.2%), Singapore (2.4%) and China (1.5%). According to the World Economic Forum's Global Competitiveness Report 2011–2012, the number of utility patents granted in 2010 is relatively low (7.2 per million residents; rank: 32); the number of fixed broadband subscriptions is only 7.32 (per 100 residents; score: 2.64); capacity for innovation is ranked 19th; quality of scientific research institutions is ranked 24th; company spending on R&D is ranked 13th; university-industry collaboration in R&D is ranked 21; and availability of scientists and engineers is ranked 22nd.

The latest Malaysia Higher Education Plan (for the years 2007–2010) set the ambitious target of 100 researchers per 10,000 jobs in the labor force by 2020. Most researchers work in universities (45%) or public research organizations (17%) rather than in the industrial sector (38%).

In the latter, R&D is dominated by MNCs. But even the multinational enterprises in Malaysia do not invest much in R&D and the technology transfer or technical spillover is limited. Besides, Malaysia suffers from a significant brain drain.

According to Malaysia's science and technology plan ("Malaysia's S&T Policy for the 21st Century"), the government wants to promote the transformation towards a knowledge-based economy. It concentrates on specific sectors such as: advanced manufacturing, advanced materials, microelectronics, biotechnology, information and communication technology, multimedia technology, energy, aerospace, nanotechnology, photonics and pharmaceuticals. The proportion of academic staff in public universities who have PhDs has risen to 36% in 2009. The Tenth Malaysia Plan targeted improving the quality of academic staff by increasing the number of lecturers with PhDs to 75% in research universities and to 60% in other public universities. Moreover, the government is financing more doctoral studies to raise the number of PhD holders to 18,000 by 2015.

Citation: Schüller, Margot, Rudie Trienes, Alexander

Degelsegger, Ludwig Kammesheidt, and Florian Grube (2011): Southeast Asia's international S&T cooperation policy, in: Degelsegger, Alexander and Cosima Blasy (eds.): Spotlight on: Science and Technology. Cooperation Between Southeast Asia and Europe Analyses and Recommendations from the SEA-EU-NET Project, Vienna, 118ff

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

To what extent does education policy in your country deliver high-quality, efficient and equitable education and training?

This question assesses the extent to which a government's education policy facilitates high-quality learning that contributes to personal development, sustainable economic growth and social cohesion. Your response should focus on the following, irrespective of the education system's organization: the contribution of education policy towards providing a skilled labor force, the graduate output of upper secondary and tertiary education, and (equitable) access to education. While the latter pertains to issues of fairness and distributive justice, it also has implications for a country's international competitiveness as unequal education implies a waste of human potential.

Education policy effectively delivers efficient and equitable education and training.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Education policy largely delivers high-quality, efficient and equitable education and training.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Education policy partly delivers high-quality, efficient and equitable education and training.	5 <input type="checkbox"/>
	4 <input checked="" type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Education policy largely fails to deliver high-quality, efficient and equitable education and training.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

The Tenth Malaysia Plan (2011–2015) and the Higher Education Strategic Plan by the Ministry of Higher Education both acknowledge the need to develop a more skilled workforce. The Government Transformation Plan (GTP) acknowledges that the education system is in urgent need of reform. The government is planning to launch a blueprint for education reform in September 2012. With only 4.1% of GDP spent on public education, the contribution of the policy towards providing this labor force is below average. A massive 80% of Malaysia's labor force have, at most, only an O-level education. The graduate output of upper secondary and tertiary education must be increased, but equitable access to education is hindered by the privileging of *bumiputera*. The focus of government policies has been on primary and secondary education in a system that encourages rote learning and does not adequately prepare its students for higher education. The OECD Programme for International Student Assessment (PISA) for pupils aged 15 resulted in below-average ratings for Malaysian students. At or above the baseline level, only 56% of students are estimated to be proficient readers, 57% of students are proficient in science, and 41% of students are proficient in mathematics. According to the World Economic Forum Global Competitiveness Report 2011–2012, the quality of primary education is ranked 21st (score: 5.0). The primary education enrollment rate is 94.1%; at the secondary level it is 68.7%, and at the tertiary level 36.5%. The quality of the educational system has a score of 5.1 and is ranked 14th. The adult literacy rate is 92.5% for those aged 15 and older; the expected number of school years for children under 7 is 12.6.

Even if students graduate, a major problem remains – the brain drain. 300,000 Malaysians with tertiary education are currently working in foreign countries. Malaysia tries to attract foreign students, inter alia by developing new facilities with English as the language of instruction. With this goal in mind, the government is supporting the construction of an “EduCity” in Nusajaya (Johor), where renowned British, Australian and American universities are opening campuses.

Malaysian tertiary institutions produce graduates who are often poorly prepared for the labor market. Unemployment is especially high among those with poor English skills and/or with a focus on the humanities. The government wants to create a 60:40 ratio in favor of science-based studies at the tertiary level. At a lower level of qualification, employers are demanding improved technical and vocational education and training.

The Ministry of Higher Education oversees 20 public institutes of higher education and private universities, foreign branch campuses and colleges. The Private Higher Educational Institutions Act allows for private universities. There are currently 33 private institutions and four branch campuses of foreign universities. Four universities were accorded “research university” status. One of the aims of the “Strategic Plan for Higher Education: Laying the Foundation Beyond 2020” is to develop a few internationally renowned universities. Thus, the government began the “Accelerated Programme for Excellence” (APEX) and has so far accorded five institutions (Universiti Sains Malaysia, University of Malaya, Universiti

Kebangsaan Malaysia, Universiti Putra Malaysia and Universiti Teknologi Malaysia) the status of APEX or “research university.” This status provides access to additional financial resources and more autonomy. There are currently no top universities in Malaysia according to various rankings such as the Shanghai Jiao Dong University’s ranking of top 500 universities in the world.

Critics of the higher education system point to the ethnically-biased selection system for university lecturers and students alike. Non-Malays face difficulties in rising to top positions at universities and even in gaining acceptance to public universities despite above-average results at high school. The privileging of *bumiputera* lowers overall quality, especially at the tertiary level. Moreover, the UUCA and other laws serve to control institutions of higher learning. An example of political intervention into a university’s internal affairs was the 2011 suspension of Professor Abdul Aziz Bari, the constitutional law expert at the International Islamic University of Malaysia (UIA), in connection with a decree by the Sultan of Selangor over the Jais raid on the Damansara Utama Methodist Church.

Citation: Degelsegger, Alexander and Cosima Blasy (eds.) (2011): Spotlight on: Science and Technology. Cooperation Between Southeast Asia and Europe Analyses and Recommendations from the SEA-EU-NET Project, Wien.

Lee Hock Guan (2009): Language, Education and Ethnic Relations, in: Lim Teck Ghee/Alberto Gomes/Azly Rahman (eds.): *Multiethnic Malaysia: Past, Present And Future*, Petaling Jaya and Kuala Lumpur, 207–229

Walker, Maurice (2011): PISA 2009 Plus Results: Performance of 15-year-olds in reading, mathematics and science for 10 additional participants; Victoria, Australia

World Economic Forum (2011): The Global Competitiveness Report 2011–2012, Geneva, www3.weforum.org/docs/WEF_GCR_Report_2011-12.pdf

Management Index

Executive Capacity

Steering Capability

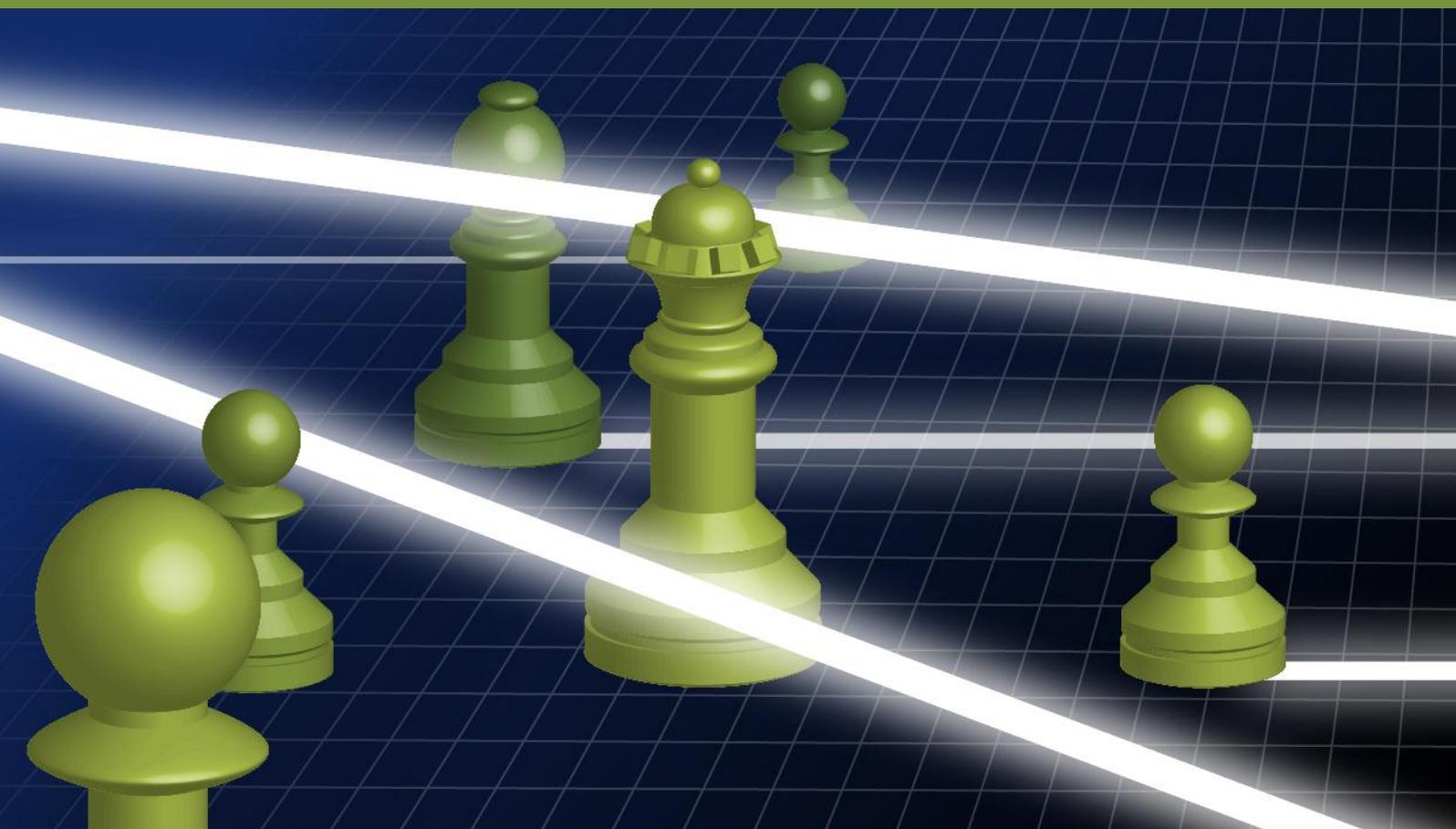
- M 1 Strategic Capacity
- M 2 Inter-ministerial Coordination
- M 3 Evidence-based Instruments
- M 4 Societal Consultation
- M 5 Policy Communication

Institutional Learning

- M 7 Adaptability
- M 8 Organizational Reform Capacity

Policy Implementation

- M 6 Effective Implementation



M 1.1 Strategic Planning

How much influence does strategic planning have on government decision-making?

Organizational forms of strategic planning include planning units at the center of government and personal advisory cabinets for ministers or the president/prime minister or extra-governmental bodies.

An indicator of influence may be the frequency of meetings between strategic planning staff and the head of government. Please substantiate your assessment with empirical evidence.

Dominant influence.	10	<input type="checkbox"/>
	9	<input type="checkbox"/>
<hr/>		
Considerable influence.	8	<input type="checkbox"/>
	7	<input checked="" type="checkbox"/>
	6	<input type="checkbox"/>
<hr/>		
Modest influence.	5	<input type="checkbox"/>
	4	<input type="checkbox"/>
	3	<input type="checkbox"/>
<hr/>		
No influence.	2	<input type="checkbox"/>
	1	<input type="checkbox"/>

Advisory units within the Office of the Prime Minister (PMO) have considerable influence on strategic planning, which plays a major role in policymaking. The Malaysian government also has a range of planning units and advisory agencies to work with that include cabinet committees, the National Development Planning Committee (NDPC), the National Economic Advisory Council (NEAC), the Implementation Co-Ordination Unit (ICU), the Performance Management Delivery Unit (PEMANDU) and the Special Taskforce to Facilitate Business (PEMUDAH). In addition, extensive developmental planning takes place under the aegis of the Prime Minister's Office. Planning addresses macro- and sectoral-level issues and often result in so-called Master Plans (Privatisation Master Plan, Industrial Master Plan, Financial Sector Master Plan, Agriculture Master Plan, etc.).

The government's Tenth Malaysia Plan (2011–2015) focuses on 12 national key economic areas (NKEA) that include oil, gas, palm oil and related products, financial services, wholesale, retail, tourism, information and communications technology (ICT), and education services, among others. The Economic Planning Unit (EPU) is responsible for the five-year development plans. Huge projects initiated by ministries or other government agencies and by the private sector require EPU approval.

Citation: Prime Minister's Office (2012): Government Transformation Programme 2012: Annual Report 2011, www.pmo.gov.my/dokumenattached/GTP-Report-2011/GTP_Annual_Report_2011.pdf

Prime Minister's Office (2011): The 1Malaysia Concept, www.pmo.gov.my/dokumenattached/GTP-Report-2011/GTP_Annual_Report_2011.pdf

Prime Minister's Office (2010): The NEM, Part 1, www.pmo.gov.my/dokumenattached/NEM_Report_1.pdf

How influential are non-governmental academic experts for government decision-making?

An indicator of influence may be the frequency of meetings between government and external academic experts. Please substantiate your assessment with empirical evidence.

Dominant influence.	10	<input type="checkbox"/>
	9	<input type="checkbox"/>
<hr/>		
Considerable influence.	8	<input type="checkbox"/>
	7	<input type="checkbox"/>
	6	<input type="checkbox"/>
<hr/>		
Modest influence.	5	<input type="checkbox"/>
	4	<input checked="" type="checkbox"/>
	3	<input type="checkbox"/>
<hr/>		
No influence.	2	<input type="checkbox"/>
	1	<input type="checkbox"/>

Scholarly advice outside of the formal planning units has a modest influence on government decision-making. The government tends to turn to private consultancies for feedback when drawing up and preparing policy programs. There are, however, various task forces, planning units, government departments and so on that regularly seek advice from academics. Moreover, there are think tanks such as the Malaysian Institute of Economic Research (MIER), the Institute of Strategic and International Studies (ISIS), and the Asia Leadership Institute (ASLI). The ISIS, as an example, is funded in part by the government, and is important for policy advice on foreign policy issues. The institute belongs to a range of think tanks in Southeast Asia essential for second-track policy preparation. In addition, international NGOs, party-based foundations or branches of international organizations (e.g., the World Bank, ADB, UN) help promote debates in Malaysia and provide programmatic input.

Citation: Zainal Aznam Yusof and Deepak Bhattasali (2008): Economic Growth and Development in Malaysia: Policy Making and Leadership, The International Bank for Reconstruction and Development /The World Bank, Working Paper 27

Does the government office / prime minister's office (GO / PMO) have the expertise to evaluate ministerial draft bills substantively?

This question examines whether the government office (referred to in some countries as the prime minister's office, chancellery, etc.) has capacities to evaluate the policy content of line ministry proposals. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

The GO / PMO has comprehensive sectoral policy expertise and provides regular, independent evaluations of draft bills for the cabinet / prime minister. These assessments are guided exclusively by the government's strategic and budgetary priorities. **10** **9**

The GO / PMO has sectoral policy expertise and evaluates important draft bills. **8** **7** **6**

The GO / PMO can rely on some sectoral policy expertise, but does not evaluate draft bills. **5** **4** **3**

The GO / PMO does not have any sectoral policy expertise. Its role is limited to collecting, registering and circulating documents submitted for cabinet meetings. **2** **1**

The Office of the Prime Minister (PMO) has comprehensive sectoral policy expertise and evaluates important draft bills. There are six ministers in the Prime Minister's Department whose areas of responsibility include legislative and parliamentary affairs, national unity and performance management issues, the Economic Planning Unit (EPU), Islamic affairs, the Performance Management Delivery Unit (PEMANDU), the Administrative Modernisation and Management Planning Unit (MAMPU), the National Institute Of Public Administration (INTAN) and the Public Complaints Bureau. Moreover, important agencies such as the Attorney General's Chamber, the Malaysian Anti-Corruption Commission, the Election Commission, the Judicial Appointments Commission, the Chief Registrar's Office, the Human Rights Commission, the National Audit Department, as well as parliament and the National Security Council are each administered directly by the PMO.

Economic policies, as an example, are also planned in the Ministry of Finance, the Bank Negara Malaysia, and the Ministry of International Trade and Industry (MITI).

Citation: Zainal Aznam Yusof and Deepak Bhattasali (2008): Economic Growth and Development in Malaysia: Policy Making and Leadership, The International Bank for Reconstruction and Development /The World Bank, Working Paper 27

Can the government office / prime minister's office return items envisaged for the cabinet meeting on the basis of policy considerations?

Please assess whether the GO/PMO is de facto, not only legally, able to return materials on the basis of policy considerations. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- | | |
|--|--|
| The GO/PMO can return all/most items on policy grounds. | 10 <input checked="" type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO can return some items on policy grounds. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO can return items on technical, formal grounds only. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO has no authority to return items. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The PMO is so dominant within the central executive that it can return almost all items on policy grounds. The government must at times reverse policy initiatives, but this is usually in response to broader public opposition rather than conflicts with line ministries.

Citation: Zainal Aznam Yusof and Deepak Bhattasali (2008): Economic Growth and Development in Malaysia: Policy Making and Leadership, The International Bank for Reconstruction and Development /The World Bank, Working Paper 27

M 2

Inter-ministerial Coordination

Category: Steering Capability

M 2.3

Line Ministries

To what extent do line ministries have to involve the government office/prime minister's office in the preparation of policy proposals?

Please assess whether line ministries involve the GO/PMO de facto, not only legally, in the preparation of policy proposals. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- | | |
|--|---------------------------------------|
| There are interrelated capacities for coordination in the GO/PMO and line ministries. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO is regularly briefed on new developments affecting the preparation of policy proposals. | 8 <input checked="" type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Consultation is rather formal and focuses on technical and drafting issues. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Consultation occurs only after proposals are fully drafted as laws. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Line ministries must involve the PMO in the preparation of policy proposals and the PMO is regularly briefed on new developments affecting these proposals. The involvement of the PMO depends on the importance of the policies. Their implementation is left to the ministries and departments.

How effectively do ministerial or cabinet committees prepare cabinet meetings?

This question studies whether cabinet committees (composed exclusively of cabinet members) or ministerial committees (composed of several ministers and individual non-cabinet members) effectively filter out or settle issues so that the cabinet can focus on strategic policy debates.

Please assess whether ministerial or cabinet committees are de facto, not only legally, able to prepare cabinet meetings. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- | | |
|--|---------------------------------------|
| The large majority of issues are reviewed and scheduled first by/for the committees. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Most of the issues are prepared by committees. Or: Issues of political or strategic importance are reviewed and scheduled by/for the committees. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| There is hardly any preparation of cabinet meetings by committees. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| There is no preparation of cabinet meetings by committees. Or: There is no ministerial or cabinet committee. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Most issues are effectively prepared by committees of which there are a large number. One committee is tasked specifically with handling major issues that arise. Cabinet committees, such as the committee addressing competitiveness or high-impact investment projects, are assigned the task of preparing papers that the cabinet will then endorse. Critics complain that there are too many committees that deal with minor issues. Moreover, the chairmen of these committees, that is usually the prime minister or his deputy, are often not available.

How effectively do senior ministry officials prepare cabinet meetings?

This question examines whether senior ministry officials (leading civil servants or political appointees including junior ministers below the cabinet level) effectively filter out or settle issues so that the cabinet can focus on strategic policy debates.

Please assess whether senior ministry officials are de facto, not only legally, able to prepare cabinet meetings. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

Most issues arrive in time to be reviewed and scheduled first by/for the senior ministry officials (i.e., more than 70 percent of cabinet agenda items are prepared). **10**
9

Many of the issues are prepared by senior ministry officials (i.e., 50-70 percent of cabinet agenda items are prepared). **8**
7
6

There is some preparation of cabinet meetings by senior ministry officials (i.e., less than 50 percent of cabinet agenda items are prepared). **5**
4
3

There is no or hardly any preparation of cabinet meetings by senior ministry officials. **2**
1

There is some preparation of cabinet meetings by senior ministry officials, though this depends on the issues at hand.

M 2 Inter-ministerial Coordination

Category: Steering Capability

M 2.6 Line Ministry Civil Servants

How effectively do line ministry civil servants coordinate policy proposals?

This question refers to administrative coordination and examines to what extent civil servants of individual ministries effectively coordinate the drafting of policy proposals with other ministries so that political coordination bodies and the cabinet can focus on strategic policy debates.

In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- Most policy proposals are effectively coordinated by civil servants. **10**
9
-
- Many policy proposals are coordinated by civil servants. **8**
7
6
-
- There is some coordination of policy proposals by civil servants. **5**
4
3
-
- There is no or hardly any coordination of policy proposals by civil servants. **2**
1

Civil servants of individual ministries often coordinate the drafting of policy proposals with other ministries. But they usually consult the PMO. This is often done within cabinet committees.

M 2 Inter-ministerial Coordination

Category: Steering Capability

M 2.7 Informal Coordination Procedures

How effectively do informal coordination mechanisms work?

This question examines whether there are informal coordination mechanisms (examples: coalition committees, informal meetings within government or with party groups, informal meetings across levels of government) which effectively filter out or settle issues so that the cabinet can focus on strategic policy debates?

- Most policy proposals are effectively coordinated by informal mechanisms. **10**
- 9**
-
- Many policy proposals are coordinated by informal mechanisms. **8**
- 7**
- 6**
-
- There is some coordination of policy proposals by informal mechanisms. **5**
- 4**
- 3**
-
- There is no or hardly any coordination of policy proposals by informal mechanisms. **2**
- 1**

Much coordination between ministries is informal. The Barisan Nasional member parties are in constant communication with each other. Informal meetings are frequent within the coalition, across levels of government, and between departments.

Does the government regularly assess the potential socioeconomic impact of the draft laws it prepares (regulatory impact assessments, RIA)?

If RIA activities are not centrally registered, please try to obtain exemplary information that is representative of the situation in your country. **Please Note: If RIA are not applied or do not exist, please give your country a score of “1” for this question AND for M3.2 and M3.3.

In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

- | | |
|--|---------------------------------------|
| RIA are applied systematically to new or existing regulations, but are limited to those matching defined criteria. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| RIA are not applied systematically to study the impact of regulations. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| RIA are applied randomly. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input checked="" type="checkbox"/> |
| <hr/> | |
| RIA are not applied or do not exist. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

RIA are not applied or do not exist. However, Pakatan Rakyat has called for applying RIAs in their Principles of Good Regulation, which include principles of transparency, due process in administration of regulations, predictability, proportionality, accountability, and non-discrimination.

A functional equivalent of RIA is the work done by the Malaysia Productivity Corporation (MPC). In line with the Economic Transformation Programme (ETP), the MPC provides support to NKEAs by reviewing existing regulations and policies. Supported by the National Economic Advisory Council (NEAC), it aims to reduce regulatory burdens and has produced information material such as the Guidebook for Understanding Regulatory Impact Analysis.

Another minor functional equivalent are the Key Performance Indicators. They were first introduced in government-linked companies, then for all public agencies through the issuance of Guidelines on Establishing Key Performance Indicators in 2005. Advocating performance-based leadership, Prime Minister Najib has built a “unity and performance management” unit within the PMO and introduced key performance indicators to assess the performance of his cabinet and senior officials. But the key performance indicator reports are used for internal purposes alone and are void of external monitoring.

Citation: Nur Barizah Abu Bakar, Zakiah Saleh and Muslim Har Sani Mohamad (2011): Enhancing Malaysian Public Sector Transparency and Accountability: Lessons and Issues, in: European Journal of Economics, Finance and Administrative Sciences, 31 (2011), 133–145

Special Address by Y.B. Dato` Mukhriz Tun Dr. Mahathir, Deputy Minister Of International Trade And Industry at the Official Opening "Conference On Modernising Business Regulation,"
<http://www.mpc.gov.my/home/index.php?cont=c4&item=4i2&cid=81>

M 3 Evidence-based Instruments

Category: Steering Capability

M 3.2 Needs Analysis

To what extent do RIA analyze the purpose of and need for a regulation?

This question seeks to assess the analytical depth of RIA. Please try to obtain exemplary information that is representative of the situation in your country. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

RIA define the purpose of and need for a regulation in a clear, concise and specific manner.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
RIA mention the purpose of and need for a regulation, but the specification is not sufficiently clear, concise and/or well-defined.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
RIA mention the purpose of and the need for a regulation, but do not specify.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input checked="" type="checkbox"/>
<hr/>	
RIA do not analyze the purpose of and the need for a regulation.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Again, a minor functional equivalent for RIA is found in the work of the Malaysia Productivity Corporation that reviews regulations and policies and strives for a reduction of regulatory burdens. It also refers in its work to a Guidebook for Understanding Regulatory Impact Analysis.

Another functional equivalent of RIA are Key Performance Indicators for public agencies and the introduction of a “unity and performance management” unit within the PMO. But this kind of auditing lacks transparency and an external control.

To what extent do RIA analyze alternative options?

This question seeks to assess the scope of RIA.

Please try to obtain exemplary information that is representative of the situation in your country. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

RIA analyze alternative options (including “do nothing”) and quantify the costs and benefits of the different alternatives.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
RIA highlight alternative options and consider the pros and cons of each option.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
RIA consider some alternative options.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input checked="" type="checkbox"/>
<hr/>	
RIA do not analyze alternative options.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

RIA does not exist. As minor functional equivalent an agency such as the Malaysia Productivity Corporation analyzes some alternative options, but not systematically. The Key Performance Indicators for public agencies and the “unity and performance management” unit within the PMO are for internal purposes only and do not consider alternatives.

M 4

Social Consultation

Category: Steering Capability

M 4.1

Negotiating Public Support

To what extent does the government consult with trade unions, employers' associations, leading business associations, religious communities, and social and environmental interest groups to support its policy?

This question assesses how successfully the government consults with economic and social actors in preparing its policy. Successful consultation is conceived here as an exchange of views and information that increases the quality of government policies and induces economic and social actors to support them.

The government successfully motivates economic and social actors to support its policy. **10**
9

The government facilitates the acceptance of its policy among economic and social actors. **8**
7
6

The government consults with economic and social actors. **5**
4
3

The government hardly consults with any economic and social actors. **2**
1

The government seeks support for its policies only among interest groups related to business. The government's relationship with civil society groups is by contrast often strained. The cleavage between conservative and pro-*Reformasi* groups in civil society is representative of deep polarization within this sector. The trade unions are mostly government-controlled or unable to actively influence policymaking. Close relationships between the government, the ruling parties and big business are most pronounced within state companies and government-linked companies, but also in companies with close links to the political elite. The Economic Transformation Programme (ETP) represents one example of government-business cooperation efforts. The Performance Management and Delivery Unit (PEMANDU), which is linked to the ETP, conducted so-called laboratories in order to raise acceptance of policy initiatives and to identify entry point projects and business opportunities that depend mostly on private funding. Within Pemudah, the special task force set up by the government in 2007 that facilitates business, a number of prominent businesspeople have an active role. Among them are the presidents of the Federation of Malaysian Manufacturers, of the Malaysian Employers Federation, and of the American Malaysian Chamber of Commerce as well as the chairman of Ahmad Zaki Resources Bhd and a representative of Shell Malaysia. The government's communication efforts with representatives of religious communities via the Department of Islamic Development represents another example of how the government seeks support for its policies.

M 5 Policy Communication

Category: Steering Capability

M 5.1 Coherent Communication

To what extent does the government implement a coherent communication policy?

The government effectively coordinates the communication of ministries; ministries closely align their communication with government strategy.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
The government seeks to coordinate the communication of ministries through consultation procedures. Contradictory statements are rare, but do occur.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input checked="" type="checkbox"/>
<hr/>	
The ministries are responsible for informing the public within their own particular areas of competence; their statements occasionally contradict each other.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Strategic communication planning does not exist; individual ministry statements regularly contradict each other.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Communication is fairly coherent because of the highly centralized decision-making process. An example for the facilitation of strategic communication among ministries is the Economic Planning Unit (EPU) within the PMO that coordinates and evaluates policies and closely works together on economic policies with, for example, the Ministry of Finance, and the Ministry of International Trade and Industry (MITI).

M 6 Effective Implementation

Category: Policy Implementation

M 6.1 Government Efficiency

To what extent can the government achieve its own policy objectives?

This question seeks to evaluate a government's implementation performance against the performance benchmarks set by the government for its own work. The assessment should therefore focus on the major policy priorities identified by a government and examine whether declared objectives could be realized.

The government can largely implement its own policy objectives.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
The government is partly successful in implementing its policy objectives or can implement some of its policy objectives.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input checked="" type="checkbox"/>
<hr/>	
The government partly fails to implement its objectives or fails to implement several policy objectives.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
The government largely fails to implement its policy objectives.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

The government is fairly successful in achieving its policy objectives, but some reforms are too ambitious, only half-heartedly implemented or fail altogether. This assessment is underscored by Worldwide Governance Indicators such as “regulatory quality” (0.58) and “government effectiveness” (1.097) (scores ranging from -2.5 to 2.5).

An example of an overambitious policy objective is the Tenth Malaysia Plan (2011–2015), which assumes that Malaysia will achieve 6% annual economic growth and ignores factors such as a dependence on international developments and economic crises such as those seen in 1998 and 2008. Annual economic growth averaged 4.7% from 2001 to 2005 (7.5% was targeted) and 4.2% from 2006 to 2010 (6% was targeted). A further example includes the goal of broadening the tax base through a goods and services tax, which was postponed indefinitely in October 2010.

To what extent does the organization of government ensure that ministers do not seek to realize their self-interest but face incentives to implement the government's program?

Organizational devices providing incentives for ministers include prime ministerial powers over personnel, policies or structures, coalition committees, party summits, comprehensive government programs/coalition agreements and cabinet meetings. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

The organization of government successfully provides strong incentives for ministers to implement the government's program. **10**
9

The organization of government provides weak incentives for ministers to implement the government's program. **8**
7
6

The organization of government partly prevents ministers from realizing departmental self-interests. **5**
4
3

The organization of government fails to prevent ministers from realizing departmental self-interests. **2**
1

The cabinet is largely subordinate to the Prime Minister, who has extensive control over personnel, policies, coalition committees, party summits and cabinet meetings. Since there is an interest in having a cabinet untainted by corruption scandals and in ordinary ministerial tasks being carried out smoothly, departmental self-interests are curbed somewhat. Departmental self-interests are to a certain extent the financial interests of those holding senior level positions within these departments. If government members are involved in corruption scandals, there is a tendency to shield them from public scrutiny. The latest prominent example was the National Feedlot Corporation scandal involving Senator and Minister of Women, Family and Community Development Shahrizat Abdul Jalil. The corporation, chaired by Shahrizat's husband, had received a MYR 250 million in a soft loan. Shahrizat was later forced to resign from her public post.

How effectively does the government office / prime minister's office monitor line ministry activities?

This question assumes that effective delegation from the core executive to ministries is reflected in the monitoring of line ministry activities by the administration of the core executive. While such monitoring is not sufficient to prevent line ministries from prioritizing sectoral over government interests, the presence or absence of monitoring is taken here as a proxy of effective delegation policies. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

- | | |
|--|---------------------------------------|
| The GO / PMO effectively monitors the activities of line ministries. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The GO / PMO monitors the activities of most line ministries. | 8 <input checked="" type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The GO / PMO shadows the activities of some line ministries. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The GO / PMO does not monitor the activities of line ministries. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The PMO monitors the activities of most line ministries and effectively delegates tasks. There are units with monitoring functions, such as the Implementation and Coordination Unit (ICU), the Performance Management Delivery Unit (PEMANDU), and the Administrative Modernisation and Management Planning Unit (MAMPU). Under former Prime Minister Mahathir, the centralization of administrative responsibilities within the PMO served to better coordinate policies, but also to enhance his power. By establishing an agency for Islamic affairs in the PMO, for example, he took away some of states' constitutional authority in the administration of Islam. By creating all kinds of committees and agencies and by directly subordinating six ministers under the PMO, Prime Minister Najib is effectively able to oversee the activities of administrative work within his department.

Citation: Yeoh, Tricia (2011): Performance Management Reforms in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 193–209

How effectively do ministries monitor the activities of executive agencies?

An effective implementation may be constrained by bureaucratic drift. To ensure that agencies act in accordance with government policies, this question assumes that ministries and their leading officials should monitor the activities of semi-autonomous executive agencies in their task area.

In federal states with few executive agencies at the central level of government, the assessment should also consider regional-level decentralized agencies acting on behalf of the federal government.

- The ministries effectively monitor the activities of all executive agencies. **10**
9
-
- The ministries monitor the activities of most of the executive agencies. **8**
7
6
-
- The ministries monitor the activities of some executive agencies. **5**
4
3
-
- The ministries do not monitor the activities of executive agencies. **2**
1

The ministries effectively monitor the activities of most of the executive agencies. Centralization within the PMO allows for effective monitoring. A range of steering committees and special units assist in overseeing the work of subordinated agencies. There are also regional-level decentralized agencies acting on behalf of the federal government. These so-called National Councils for Local Government (NCLG) safeguard compliance with standards defined in Kuala Lumpur and serve as a link between different levels of government. They consist of representatives of state and federal governments according to Article 95(A) of the federal constitution and guarantee the control of the federal government on local authorities.

Citation: Phang Siew Nooi (2011): Decentralization and Local Governance in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 155–169

Yeoh, Tricia (2011): Performance Management Reforms in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 193–209

To what extent does the central government ensure that tasks delegated to subnational self-governments are adequately funded?

A high or low degree of decentralization as such does not constitute a meaningful indicator of executive capacity. Rather, this question focuses on the delegation problem associated with decentralization.

If the central government delegates a public task to lower levels of government (as a rule: regional self-government and in unitary states without regional self-government, local self-government), the central government needs to ensure that such tasks are adequately funded. The absence of corresponding funding sources (“unfunded mandates”) indicates a lack of responsibility and strategic design. Funding may be provided through grants (shares of centrally collected taxes) from the central budget or by endowing subnational self-governments with their own revenues.

Please note that subnational self-government refers to directly elected subnational administrative authorities with considerable discretion. The broad concept of “delegation” applied here is taken from principal-agent theory and includes independent powers of subnational self-government enshrined in the constitution. Thus, no difference is made between independent powers and those central government powers that have been delegated by laws or executive regulations to subnational self-government.

The central government enables subnational self-governments to fulfill all their delegated tasks by funding these tasks sufficiently and/or by providing adequate revenue-raising powers.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
The central government enables subnational governments to fulfill most of their delegated tasks by funding these tasks sufficiently and/or by providing adequate revenue-raising powers.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
The central government sometimes and deliberately shifts unfunded mandates to subnational governments.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input checked="" type="checkbox"/>
<hr/>	
The central government often and deliberately shifts unfunded mandates to subnational self-governments.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Although a federal state, the degree of decentralization in Malaysia is low. and mandates shifted to state governments are often insufficiently funded. Presently, state governments receive flat-rate capitation grants (MYR 72 per capita for the first 100,000 population, MYR 10.20 for the next 100,000, then MYR 10.80 and MYR 11.40 for the next 100,000 and remainder of the population, respectively) that do not take into account differing needs and strengths among the states.

Corporate and income taxes are not shared with the states. Poorer states do not receive equalization grants. States carry responsibility for spending on public transport, amenities, utilities and social welfare.

There are several examples of battles being waged between the central government and states over funding. The most clear examples involve states ruled by the opposition. In 1992, the Federal Ministry of Primary Industries banned log exports from the state of Sabah, arguably in an attempt to weaken an opposition-controlled state government that received 50% of its revenues from the lumber industry. Other glaring examples involve the states of Kelantan and Terengganu. In 1999, for example, when the Islamist PAS won the state elections in Terengganu, the federal government withheld payment of petroleum royalties and implemented instead development programs at the local level that received direct funding from the federal government.

Citation: Case, William (2007): Semi-democracy and minimalist federalism in Malaysia, in: He, Baogang, Brian Galligan and Takeshi Inoguchi (eds.): Federalism in Asia, London, 124–143

Mohammad Agus Yusoff (2006): Malaysian Federalism: Conflict or Consensus, Bangi

To what extent does central government ensure that substantial self-governments may use their constitutional scope of discretion?

As a high or low degree of decentralization as such does not constitute a meaningful indicator of executive capacity, this question takes the constitutional scope of regional self-government or, in unitary states without regional self-government, local self-government autonomy, as a point of reference.

Central government institutions are assumed to enable subnational self-governments to use this autonomy fully. Subnational autonomy may be curtailed by legal, administrative, fiscal or political measures of the central level. Such de facto centralizing policies may be deliberate or unintentional, unconstitutional or in accordance with the constitution.

The central government enables subnational self-governments to use their constitutional scope of discretion fully.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Central government policies inadvertently limit the subnational self-governments' scope of discretion.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
The central government formally respects the constitutional autonomy of subnational self-governments, but de facto narrows their scope of discretion.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input checked="" type="checkbox"/>
<hr/>	
The central government deliberately precludes subnational self-governments from making use of their constitutionally provided autonomy.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

The federal government frequently and deliberately hinders state governments, in particular those ruled by the BN or opposition parties, from making use of their constitutionally provided autonomy. This autonomy is often curtailed by legal, administrative, fiscal or political measures, which William Case (2007) refers to as “minimalist federalism.” According to the Local Government Act 1976, local councillors are appointed by state governments. The last local elections were held in 1963. Malaysia’s highly centralized system of government means that most tax revenues are administered by the federal government. The federal government has also imposed emergency rule in the states of Sarawak (1966) and Kelantan (1977), and initiated defections of state assembly members in order to take over the government (Sabah in 1985 and Perak in 2009).

Citation: Case, William (2007): Semi-democracy and minimalist federalism in Malaysia, in: He, Baogang, Brian Galligan, Brian and Takshi Inoguchi (eds.): *Federalism in Asia*, London, 124–143

Chin, James (1997): Politics of Federal Intervention in Malaysia, with Reference to Kelantan, Sarawak and Sabah, in: *Journal of Commonwealth and Comparative Politics*, 35(2), 96–120

Mohammad Agus Yusoff (2006): *Malaysian Federalism: Conflict or Consensus*, Bangi

Phang Siew Nooi (2011): Decentralization and Local Governance in Malaysia, in: *Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao*, Berman, Evan (ed.), Boca Raton, 155–169

To what extent does central government ensure that subnational self-governments meet national standards of public services?

This question seeks to assess how central government ensures that the decentralized provision of public services complies with standards (rules, performance figures, etc.) agreed upon and set on the national level.

- | | |
|--|---------------------------------------|
| Central government effectively ensures that subnational self-governments meet national standards of public services. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Central government ensures largely that subnational self-governments meet national standards of public services. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Central government ensures that subnational self-governments meet national minimum standards of public services. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Central government does not ensure that subnational self-governments meet national standards of public services. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The central government ensures that the decentralized provision of public services complies with standards. The states are responsible for local government, but the federal government can directly make binding decisions via National Councils for Local Government (NCLG). The federal government has launched a range of reforms of performance management. The Malaysian Administration Modernisation and Management Planning Unit (MAMPU) devises strategies to improve public administration. Innovation of public service is promoted by administrative devices such as Quality Control Circles (QCCs), the Client's Charter (written and publicly available commitment by a department), Total Quality Management (TQM) and ISO9000. These standards are also valid for subnational self-governments.

Citation: Phang Siew Nooi (2011): Decentralization and Local Governance in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 155–169

Yeoh, Tricia (2011): Performance Management Reforms in Malaysia, in: Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao, Berman, Evan (ed.), Boca Raton, 193–209

To what extent does the government respond to international and supranational developments by adapting domestic government structures?

Government structures include the organization of ministries, the cooperation among ministries and in cabinet, the center of government and relations with subnational levels of government. This question asks whether these structures have been adapted to address inter / supranational developments and their effects for policy formulation and policy implementation.

Please note that structural reforms are also studied in view of their role in institutional learning (question M 8.2).

- | | |
|--|---------------------------------------|
| The government has appropriately and effectively adapted domestic government structures to international and supranational developments. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The government has largely adapted domestic government structures to international and supranational developments. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The government has partly adapted domestic government structures to international and supranational developments. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The government has not adapted domestic government structures. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

The government has adapted domestic government structures somewhat to international developments.

This pertains to free trade agreements under the WTO, AFTA, or policy objectives defined under the UN Millennium Development Goals, among others. As part of the comprehensive planning and implementation apparatus, the government has created a range of special task forces, working groups and cabinet commissions in response to globalization-derived pressures. The Malaysian government has, for example, adapted research and development policies as a result of increasing international competition. A new governance structure for science and technology was introduced as part of the Tenth Malaysia Plan (2011–2015). The creation of a special innovation unit (Unit Inovasi Khas, UNIK), which drafts National Innovation Policy, strengthened the PMO. The Malaysian Innovation Agency (AIM), which was established in 2011, complements the work of UNIK and the other involved ministries and agencies.

To what extent does the government participate in the international coordination of joint reform initiatives?

This question evaluates whether the government actively collaborates in reform initiatives promoted by international fora or organizations. The underlying assumption is that – given the transnational integration of modern states – executive capacity increasingly depends on whether a government is able to actively participate in international institutions and in shaping international policies.

Joint reform initiatives concern challenges or problems that cannot be mastered unilaterally by an individual country and that aim to facilitate international cooperation in fields such as international security, economic development, social progress, human rights issues or environmental protection.

- | | |
|--|---------------------------------------|
| The government actively participates in the international coordination of joint reform initiatives as often as possible. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The government often participates in the international coordination of joint reform initiatives. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| The government selectively and sporadically participates in the international coordination of joint reform initiatives. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The government does not participate in the international coordination of joint reform initiatives. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Malaysia collaborates in international institutions and in shaping policies at the regional level in particular. The country focuses on economic development and social progress. It participates in the international coordination of joint reform initiatives as long as its authoritarian political system can be maintained. Within ASEAN, for example, Malaysia does not belong to those countries actively promoting human rights and democracy. It prevents international donors or organizations from facilitating democracy and civil rights in the country.

Malaysia promotes confidence-building measures and/or economic reforms within ASEAN and other organizations and fora such as the ASEAN Dialogue Partnerships, the ASEAN Regional Forum, ASEAN Plus Three and the East Asia Summit. Results include, for example, free trade agreements within ASEAN (AFTA) or between ASEAN and China, or security agreements such as the ASEAN Zone of Peace Freedom and Neutrality (ZOPFAN) and the Southeast Asian Nuclear-Weapon-Free Zone (SEANFWFZ). At the subregional level, Malaysia takes part in growth triangles such as the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMO-EAGA).

Malaysia participates in the UN Commission on Crime Prevention and Criminal Justice (CCPCJ) and Commission on Narcotic Drugs. The country signed the Kyoto Protocol and the UN Framework Convention on Climate Change. It improved cooperation between the UNHCR and the Ministry of Women, Family, and Community Development, and has started projects together with the International Organisation for Migration (IOM).

Citation: Johnson, Joshua R. (2010): Cooperation and Pragmatism: Malaysian Foreign Policy under Najib, in: Asia Pacific Bulletin, 63, Washington DC

Khadijah Md. Khalid (2011): Malaysia's Foreign Policy under Najib, Asian Survey, 51 (3), (May/June), 429–452

Saravanamuttu, Johan (2010): Malaysia's foreign policy, the first fifty years: Alignment, neutralism, Islamism, Singapore

To what extent do actors within the government monitor whether institutional arrangements of governing are appropriate?

Institutional arrangements include the rules of procedure and the work formats defined there, in particular the cabinet, the office of the head of government, the center of government, the portfolios of ministries, the advisory staffs of ministers and the head of government as well as the management of relations with parliament, governing parties, ministerial administration and public communication.

The institutional arrangements of governing are monitored regularly and effectively. 10
9

The institutional arrangements of governing are monitored regularly. 8
7
6

The institutional arrangements of governing are selectively and sporadically monitored. 5
4
3

There is no monitoring. 2
1

Whereas the government is eager to guarantee Malaysia's economic competitiveness on the world market and clearly realizes the importance of good governance, the exigencies of electoral authoritarianism, which sustains authoritarian control, hinders effective monitoring of institutional arrangements. Within the cabinet, the prime minister clearly dominates decision-making. Over the years, the PMO has become the nerve center of government and parliament plays only a minor role in policymaking. The creation under former Prime Minister Mahathir of the Malaysian Administration Modernisation and Management Planning Unit (MAMPU) which began restructuring departments to improve efficiency has strengthened government control over the entire civil service apparatus. Attempts to improve governance have also been introduced with the establishment in 2009 of the Performance Management Delivery Unit (PEMANDU) and the introduction of Key Performance Indicators for all public agencies, the cabinet and senior officials.

Relations with parliament and coalition members are characterized by authoritarianism.

Parliament serves little more than a rubber-stamp function and the BN members of parliament are clearly subordinates of the central executive. Within the BN, UMNO's dominance remains uncontested, especially since the 2008 elections, which further weakened major coalition partners like Gerakan, MIC and MCA.

State- or BN-controlled mass media manages the government's communication with the public and reflects a top-down hierarchy in announcing and propagandizing government policies.

To what extent does the government improve its strategic capacity by changing the institutional arrangements of governing?

For a list of institutional arrangements, see question M 8.1. Strategic capacity is the capacity to take and implement political decisions which take into account the externalities and interdependencies of policies, are based on scientific knowledge, promote common goods and represent a long-term orientation.

The government improves considerably its strategic capacity by changing its institutional arrangements. **10**
9

The government improves its strategic capacity by changing its institutional arrangements. **8**
7
6

The government does not improve its strategic capacity by changing its institutional arrangements. **5**
4
3

The government loses strategic capacity by changing its institutional arrangements. **2**
1

The government improves its strategic capacity by changing its institutional arrangements. Relations between the prime minister and the ministries/cabinet and those between UMNO and coalition partners reflect a highly centralized executive, which grew in significance under former Prime Minister Mahathir (1981–2003).

Institutional arrangements are sometimes adjusted. A few years ago, a Ministry for Higher Education was established in response to new societal demands. In order to streamline administration, central units such as PEMANDU, MAMPU and PEMUDAH have also been established, and administrative devices such as Quality Control Circles (QCCs), the Client's Charter, Total Quality Management (TQM) and ISO9000 introduced. Yet reforms often fail because they are compromised, which was the case with the Malaysian Anti-Corruption Commission and the Judicial Appointments Commission. Prime Minister Najib has reduced the number of ministries, but has at the same time raised the number of deputy minister positions.

Management Index

Executive Accountability

Citizens

M 9 Citizens' Participatory Competence

Legislature

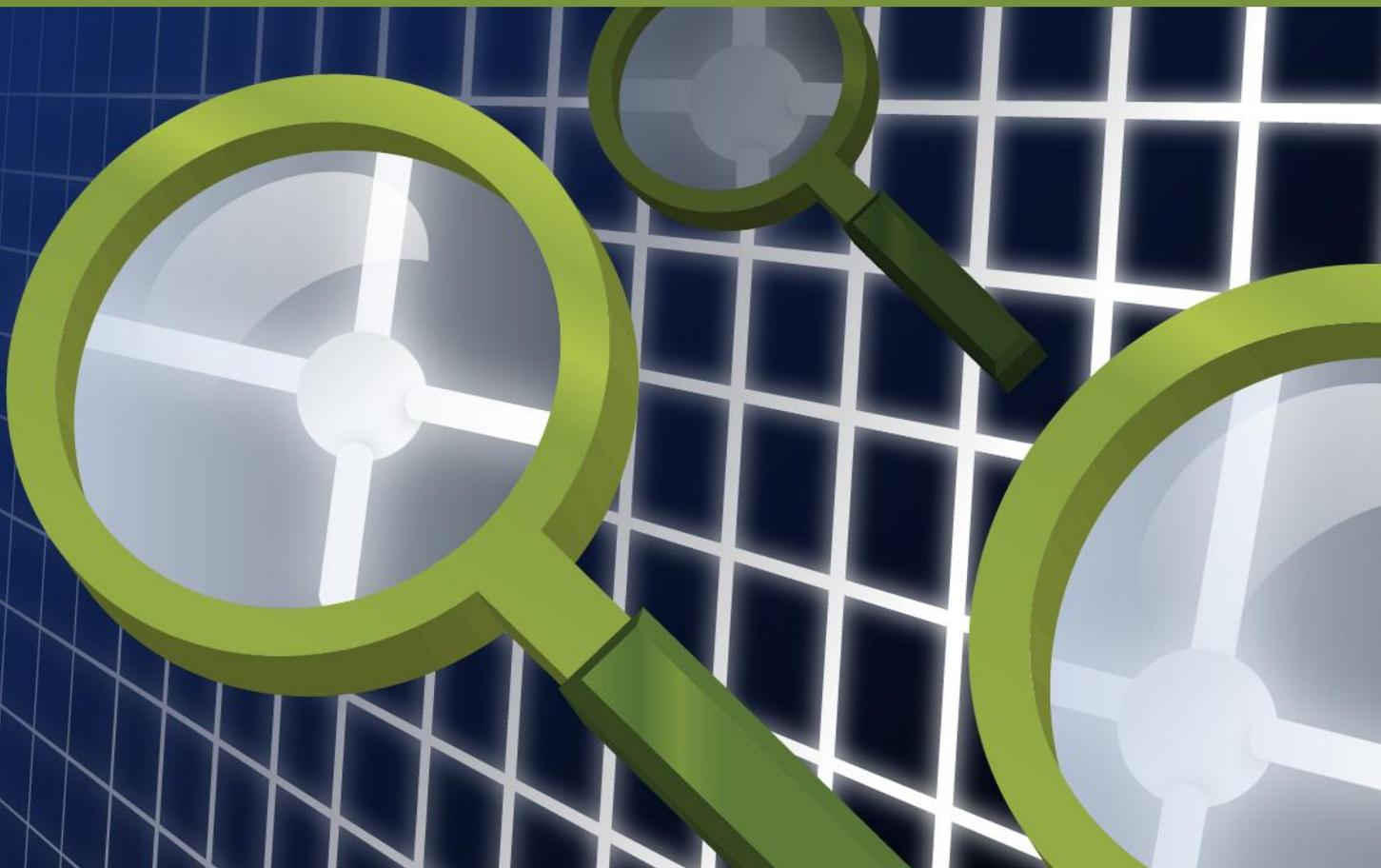
M 10 Structures and Resources of Parliamentary Actors

M 11 Parliamentary Accountability and Oversight

Intermediary Organizations

M 12 Media

M 13 Parties and Interest Associations



To what extent are citizens informed of government policy-making?

This question assesses the extent to which citizens have information and knowledge enabling them to evaluate government policy-making adequately. The question focuses on policies, not the personnel or political composition of government or the power struggles that often dominate government. A high level of information about policies presupposes that citizens understand the motives, objectives, effects and implications of policies.

Please rely on local opinion survey data to substantiate your evaluation.

- | | | |
|---|----|-------------------------------------|
| Most citizens are well-informed of a broad range of government policies. | 10 | <input type="checkbox"/> |
| | 9 | <input type="checkbox"/> |
| <hr/> | | |
| Many citizens are well-informed of individual government policies. | 8 | <input type="checkbox"/> |
| | 7 | <input type="checkbox"/> |
| | 6 | <input type="checkbox"/> |
| <hr/> | | |
| Few citizens are well-informed of government policies; most citizens have only a rudimentary knowledge of policies. | 5 | <input checked="" type="checkbox"/> |
| | 4 | <input type="checkbox"/> |
| | 3 | <input type="checkbox"/> |
| <hr/> | | |
| Most citizens are not aware of government policies. | 2 | <input type="checkbox"/> |
| | 1 | <input type="checkbox"/> |

Few citizens are well-informed of government policies. In rural areas and in states like Sabah and Sarawak, much of the population is not interested in politics and is poorly informed of government policies. Political apathy is common, even among the young and the urban population. A survey by the Naumann Foundation and the Goethe Institut shows that three-quarters of Malaysian Muslim youths have little or no interest in politics. A poll conducted by the Merdeka Center in 2010 found that 72% of people aged 19–24 are not interested in politics, whereas 48% of people over 50 do not express an interest in politics. This is the result of depoliticization in schools and universities, and of government propaganda considered not trustworthy by many Malaysians. But there is also a growing awareness that political change is possible. The Reformasi movement that emerged in 1998 and has recently been revived in different forms (such as in the movement for clean elections, Bersih) is testimony to that. The young featured prominently in both movements. Socioeconomic transformation, which is accompanied by the growing impact of new electronic media that is driving new forms of debate and disseminating critical views, accounts in large part for the widespread radicalization underway in various segments of society.

Citation: Friedrich-Naumann-Stiftung and Goethe Institut (2012): Values, Dreams, Ideals: Muslim Youth in Southeast Asia. Surveys in Malaysia in Indonesia, ww.merdeka.org/pages/02_research.html

Merdeka Center (2010): Malaysian Political Values Survey January – April 2010, www.merdeka.org/pages/02_research.html

M 10 Structures and Resources of Legislative Actors

Category: Legislature

M 10.1 Number of Committees

How many parliamentary committees are there?

The underlying assumption is that a parliament with a sufficient number of committees is better able to discuss bills, whereas too many committees may lead to fragmentation. Based on comparative studies, 12 – 18 committees are considered optimal. Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Total parliamentary committees:

No information available

How many members does a parliamentary (sub-)committee have on average?

It is assumed that parliamentary committees can best respond to their task of control if they have neither too many nor too few members. Based on comparative studies, 13-25 committee members are considered optimal.

Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Average number of committee members:

No information available

Where subcommittees exist, average number of subcommittee members:

No information available

M 10 Structures and Resources of Legislative Actors

Category: Legislature

M 10.3 Pro-Government Committee Chairs

How many committee chairpersons nominated by the governing party (or parties) are appointed?

This question addresses the influence of governing parties in parliament. Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Total nominated / appointed committee chairpersons:

No information available

M 10.4 Deputy Expert Staff

How large, on average, is the deputy's expert support staff?

This question seeks to measure the capacities of parliamentary deputies.

Expert support staff size:

*No information
available*

M 10.6 Legislature's Expert Staff

How many expert support staff members work for the legislature (including legislature's library)?

This question seeks to measure the capacities of the parliament.

Total parliamentary expert support staff:

No information available

Some parliamentary committees are able to summon ministers to committee meetings and to confront them with their questions. But these regular parliamentary committees are headed by members of parliament belonging to the BN. They lack sufficient authority and seldom, if ever, challenge members of the executive. They are merely advisory bodies whose recommendations and decisions often go unheeded by the administration.

A selection committee chooses the members of the parliamentary select committees, and does not have the power to summon people, unless it is authorized to do so. There are an additional four select committees in the parliament. Only the Committee of Privileges and the Public Accounts Committee have the power to summon people. The Public Accounts Committee is weak, and the public accounts and audit reports presented to it are often late. The Public Accounts Committee may call the heads of ministries, departments and agencies to explain the issues and matters raised by the auditor general's reports.

Citation: *The Star*, 7.9.2011: "Tapping the people's wisdom"

Are parliamentary committees able to summon experts for committee meetings?

Please assess whether parliamentary committees are de facto, not only legally, able to invite experts to committee meetings. Please specify if you consider the rights of committees limited. This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

- | | | |
|--|----|-------------------------------------|
| Parliamentary committees may summon experts. | 10 | <input type="checkbox"/> |
| | 9 | <input type="checkbox"/> |
| <hr/> | | |
| The rights of parliamentary committees to summon experts are slightly limited. | 8 | <input type="checkbox"/> |
| | 7 | <input type="checkbox"/> |
| | 6 | <input type="checkbox"/> |
| <hr/> | | |
| The rights of parliamentary committees to summon experts are considerably limited. | 5 | <input checked="" type="checkbox"/> |
| | 4 | <input type="checkbox"/> |
| | 3 | <input type="checkbox"/> |
| <hr/> | | |
| Parliamentary committees may not summon experts. | 2 | <input type="checkbox"/> |
| | 1 | <input type="checkbox"/> |

The rights of parliamentary committees to summon experts are considerably limited. The government and/or BN can always prevent such invitations.

To what extent do the task areas of parliamentary committees and ministries coincide?

If the task areas of parliamentary committees match the task areas of ministries, each parliamentary committee may focus on monitoring the activities of its corresponding ministry, thereby increasing the control capacity of the legislature. There are two possible ill-fitting constellations between committee and ministerial portfolios. If there are fewer committees than ministries, the committees may be overburdened with monitoring ministerial activities. If there are more committees than ministries, control responsibilities are split and the parliament may act non-cohesively.

This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

- | | |
|--|--|
| The task areas of parliamentary committees and ministries fully coincide. | 10 <input type="checkbox"/> |
| Parliamentary committees monitor ministries effectively. | 9 <input type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees do not fully correspond to the task areas of ministries. Parliamentary committees are largely capable of monitoring ministries. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees do not correspond to the task areas of ministries. Parliamentary committees fail to monitor ministries effectively. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees differ widely from the task areas of ministries. Parliamentary committees frequently fail to monitor ministries effectively. | 2 <input checked="" type="checkbox"/> |
| | 1 <input type="checkbox"/> |

There are two types of parliamentary committees – committees that review bills (i.e., examine a bill after its second reading) and those that scrutinize the administration (e.g., joint committees of the two houses, sessional select committees and special select committees). There are five sessional or permanent committees: Committee of Selection, Public Accounts Committee, Standing Orders Committee, House Committee and the Committee of Privileges. Members of these committees are appointed at the beginning of each session. Task areas of parliamentary committees and ministries do not coincide. Parliamentary committees frequently fail to monitor ministries effectively. The control capacity of the committees is generally weak.

Citation: *The Star*, 7.9.2011: “Tapping the people’s wisdom”

Does the parliament have an ombuds office?

This question asks whether parliaments have institutions that listen to the concerns of citizens, publicly advocate the issues raised by citizens and initiate governmental action to address them.

The term “ombuds office” is used here as a label representing these functions and may be institutionalized in different organizational formats. Please also consider possible functional equivalents and substantiate your answer.

- | | |
|---|---------------------------------------|
| The parliament has an effective ombuds office. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The parliament has an ombuds office, but its advocacy role is slightly limited. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The parliament has an ombuds office, but its advocacy role is considerably limited. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The parliament does not have an ombuds office. | 2 <input type="checkbox"/> |
| | 1 <input checked="" type="checkbox"/> |

The parliament does not have an ombuds office. To a certain extent, the Public Complaints Bureau (PCB) set up in 1971 and placed under the Department of the Prime Minister serves as a functional equivalent. In 2006, parliament resisted attempts to establish an ombuds office. The PCB has no legal mandate, is fully controlled by the government, and works mostly as an online complaints system.

To what extent do the TV and radio stations in your country provide substantive indepth information on decisions taken by the government?

This question seeks to assess the extent to which the media provide contextualized information, analysis and background information that enables the broader public to evaluate the government's decisions. For reasons of comparability and simplicity, the question focuses on:

(1) your country's main TV and radio stations (excluding all other electronic and print media as well as pure news channels) and

(2) decisions taken by the government (and not political issues or the political process in general). A lack of in-depth information is not tantamount to a complete lack of information but to the dominance of "infotainment programs" framing government decisions as personalized power politics and diverting attention from the substance of decisions to entertaining events and stories.

The main TV and radio stations every day produce high-quality information programs analyzing government decisions. 10
9

The main TV and radio stations produce a mix of infotainment and quality information programs. Programs with in-depth information on government decisions comprise between five and seven hours a week. 8
7
6

The main TV and radio stations produce many superficial infotainment programs. In-depth information on government decisions is limited to programs lasting between three and five hours a week. 5
4
3

The main TV and radio stations are dominated by superficial infotainment programs. In-depth information on government decisions is limited to programs lasting between one and three hours a week. 2
1

TV and radio stations are almost entirely under government control. TV1 and TV2, for example, are state TV stations; a company linked to UMNO controls TV3, ntv7, 8TV and TV9. Infotainment programs are dominant and only a smaller fraction is dedicated to providing in-depth information on government policies. News programs, discussions and features are clearly biased in favor of the Barisan Nasional. Information is often skewed and opposition parties do not enjoy equal opportunity in broadcasting their policy platforms in advance of elections.

M 13 Parties and Interest Associations

Category: Intermediary Organizations

M 13.1 Party Competence

To what extent do the electoral programs of major parties in your country propose plausible and coherent policies?

This question seeks to assess the quality of parties' policy proposals by analyzing the electoral programs of parties. It is assumed that programs document a party's capacity to formulate policies and to engage in a programmatic competition with rival parties.

Two criteria of quality are given: a proposal is plausible if its underlying problem diagnosis, the suggested policy instruments/measures, policy objectives and expected policy impacts are reasonably linked with each other; a proposal is coherent if it does not contradict other proposed policies.

Your evaluation will imply an assessment about whether proposed policies are likely to work, although the question is more focused on the plausibility of policy proposals. Please avoid an assessment of objectives pursued by individual parties, their appropriateness, desirability etc. "Major" parties are conceived here as parties supported by more than ten percent of the voters in the last national elections.

- | | |
|--|---------------------------------------|
| Most electoral programs propose plausible and coherent policies. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Many electoral programs propose plausible and coherent policies. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Few electoral programs propose plausible and coherent policies. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Most electoral programs do not propose plausible or coherent policies. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

In contrast to other countries in Southeast Asia, Malaysian parties invest considerable time in developing party platforms. Barisan Nasional parties have formulated clear policy statements on all relevant political issues, which can be attributed to their relatively high degree of institutionalization, their close cooperation with government agencies and their access to considerable funds. But opposition parties also develop realistic programmatic agendas and do not limit their communication to shallow populist propaganda. Good examples of this include the Alternative Budgets proposed by the DAP and the Pakatan Rakyat and the Orange Book (Buku Jingga) of the Pakatan Rakyat. The “Orange Book does not, however, provide an in-depth analysis of its proposed policies and how they would be implemented.

Citation: Pakatan Rakyat (2010): The Buku Jingga, www.pas.org.my/v2/index.php?option=com_docman&task=cat_view&gid=58&Itemid=128

Pakatan Rakyat (2009): The Common Policy Platform, [www.tindakmalaysia.com/threads/1282-PR-Common-Policy-Platform-\(PR-CPP\)-Contents](http://www.tindakmalaysia.com/threads/1282-PR-Common-Policy-Platform-(PR-CPP)-Contents)

DAP Economic Bureau (2009): Democratising Malaysia’s Economy. *DAP Alternative National Budget 2010*, Petaling Jaya

M 13 Parties and Interest Associations

Category: Intermediary Organizations

M 13.2 Association Competence (Business)

To what extent do economic interest associations propose reasonable policies?

“Reasonable” policy proposals identify the causes of problems, rely on scholarly knowledge, are technically feasible, take into account long-term interests and anticipate policy effects. These criteria are more demanding than the criteria used to evaluate party programs as interest associations can be expected to represent a specialist, substantive policy know-how.

The assessment should focus on the following interest associations: employers’ associations, leading business associations, trade unions.

Most interest associations propose reasonable policies.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Many interest associations propose reasonable policies.	8 <input checked="" type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Few interest associations propose reasonable policies.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Most interest associations do not propose reasonable policies.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Many interest associations propose reasonable, technically feasible policies that are based on scholarly expertise. The Malaysian Trades Union Congress (MTUC) has been recognized by the government as the representative of workers in Malaysia and takes part in the National Joint Labour Advisory Council. Currently, for example, the MTUC advocates rights of migrant domestic workers. Given the strict limitations placed on their activities, labor unions focus on minor reforms. Professional organizations also propose reasonable policies in their respective sectors. Medical professionals advocate with the Health Ministry. The Bar Council numbers among those organizations that often formulate articulate positions criticizing government bills (see their resolutions at the Annual General Meetings). The National Chamber of Commerce and Industry of Malaysia (NCCIM) comprises five major associations and is involved in the yearly held budget dialogue involving the minister of finance, senior staff and corporate leaders. The Ministry of International Trade and Industry also holds an annual dialogue with the private sector in which policy proposals are presented and discussed.

Citation: Hefner, Robert W., Ann Marie Murphy and Bridget Welsh (2008): Muslim Professional Associations and Politics in Southeast Asia, NBR Analysis, www.nbr.org/publications/issue.aspx?id=1415bb0a-ec12-4498-8814-0e7d5295de18

www.mtuc.org.my/workersrights/Index.html

www.nccim.org.my/t1/

www.malaysianbar.org.my

M 13 Parties and Interest Associations

Category: Intermediary Organizations

M 13.3 Association Competence (Others)

To what extent do non-economic interest associations propose reasonable policies?

“Reasonable” policy proposals identify the causes of problems, rely on scholarly knowledge, are technically feasible, take into account long-term interests and anticipate policy effects. These criteria are more demanding than the criteria used to evaluate party programs as interest associations can be expected to represent a specialist, substantive policy know-how.

The assessment should focus on the following interest associations: social interest groups, environmental groups and religious communities.

Most interest associations propose reasonable policies.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Many interest associations propose reasonable policies.	8 <input checked="" type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Few interest associations propose reasonable policies.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Most interest associations do not propose reasonable policies.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

The political environment for NGOs is difficult in Malaysia. Funding is scarce and connections to international donors are often problematic because of potential intervention by the government. Policy initiatives from civil society are seldom accepted and the general impact of NGOs on agenda-setting and policymaking is weak. Nevertheless, the NGO sector is growing and many interest associations propose reasonable policies.

Environmental NGOs such as the Malaysian Nature Society, the Environmental Protection Society of Malaysia, Friends of the Earth Malaysia, Federation of Consumers Association, Environmental Management and Research Association of Malaysia, and World Wildlife Fund Malaysia exert pressure, but are usually not involved in policymaking.

Within the women's movement, more conservative organizations like the National Council of Women's Organizations (NCWO) and its 125 independent affiliates, have stronger links to the bureaucracy. The NCWO cooperates with the Department of Law in the Office of the Prime Minister on the Family Court Act; with the Ministry of Housing and Local Government on environmental issues; with the Ministry of Human Resources on foreign maids; and the Ministry of Health on the women's hospital. More radical groups primarily raise public awareness. These groups, such as the Joint Action Group Against Violence Against Women (JAG-VAW), advocated for the Domestic Violence Act that was passed in 1994 and implemented in 1996. The JAG-VAW consisted of The Women's Aid Organisation, All Women's Action Society, Women's Development Collective and Sisters in Islam. A successor is the Joint Action Group for Gender Equality (JAG), consisting of Sisters in Islam, the Women's Aid Organisation, the Women's Centre for Change and Empower. JAG is currently lobbying for the Sexual Harassment Act, Islamic family law reform, and amendments to the Domestic Violence Act.

Citation: Giersdorf, Stephan and Aurel Croissant (2011): Civil Society and Competitive Authoritarianism in Malaysia, in: Journal of Civil Society, 7(1), 1-21.

Weiss, Meredith L. and Saliha Hassan (2003) (eds.): Social movements in Malaysia: from moral communities to NGOs, London and New York

Weiss, Meredith L. (2006): *Protest and Possibilities. Civil Society and Coalitions for Political Change in Malaysia*, Stanford, California

www.ncwomalaysia.org.my

[www.wao.org.my/Joint+Action+Group+for+Gender+Equality+\(JAG\)_73_5_1.htm](http://www.wao.org.my/Joint+Action+Group+for+Gender+Equality+(JAG)_73_5_1.htm)

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