Introduction

As the glow of post-cold war euphoria begins to wear off, the realisation has started to sink in that the end of a relatively stable bipolar world has not led to a “New World Order” but has instead manifested itself into a “New World Disorder.” This “disorder” has been characterised by secession, calls for autonomy, and various civil wars. Although the international community had focused on Europe, the Middle East, and Africa, the Pacific arena is not immune from the cultural conflicts which characterise this “disorder.” Malaysia is a particularly appropriate example of the potential for political disorder when cultural conflicts take center stage.

In comparison to European states, the social formations which constitute the ethnonational fabric of Malaysia are the result of much more recent historical events. Ethnic relations in Malaysia have been shaped by 150 years of British colonisation and then by the subsequent difficulties of state-building after independence in 1957. The central contention of this paper is that despite a colonial history which imposed an ethnoclass structure on Malaysian society, political developments since independence reflect a pattern in which concerns over ethnonational identity determine state policies (cultural policies drafted to benefit a particular ethnonational formation) where class considerations are of secondary importance. This contention will be supported by examining Malaysian ethnic politics in relation to the crucial role of policies which have been formulated by the native Malays who dominate the political system.

The period after independence will be the focus of analysis and it will be demonstrated that the nation-state of Malaysia is an ethnic state. That is, the state apparatus conceptualises the role of
the state as one in which the interests of the native Malays (the bumiputra) are prioritised in sociopolitical, cultural, and economic policymaking. The outcome of the policies pursued by this ethnic state is that policymaking not only politicises Malay ethnonational identity, but through a reactive process, also politicises and sharpens the ethnonational identities of non-Malay segments of the population, in particular, the Chinese.

The Federation of Malaysia was formed in 1963 and is comprised of the long peninsular land mass which separates the South China Sea from the Indian Ocean. Malaysia also includes the northern quarter of Borneo, except for the small state of Brunei. Peninsular or Western Malaysia is made up of eleven states while on the island of East Malaysia (Borneo) there are two federal units. The island of Singapore, which lies near the tip of peninsular Malaysia, was part of the Malaysian Federation from 1963 to 1965 but is now independent.

In Malaysia, the Malays and Chinese comprise 90 percent of the total population (58 percent Malay and 32 percent Chinese). The remainder of the population, primarily Indians, is politically weak. Peninsular Malaysia constitutes over 84 percent of the total population and it is overwhelmingly important as the center of socioeconomic and sociopolitical life. Almost all of the indigenous peoples of Malaysia are concentrated in East Malaysia—Land Dayaks, Sea Dayaks, and the Kadazans. Their total population is slightly less than one million and they represent minimal political power. Moreover, the indigenous population in East Malaysia overwhelmingly supports the policies of the Malaysian state, and this support only reinforces the political paramountcy of the Malays. In the following section, Malay political paramountcy will be examined as the catalyst which has fashioned the nation-state of Malaysia as an ethnic state.

Ethnic Politics: From Colonialism to Independence

The British secured their first territory in peninsular Malaysia as the 18th century came to a close. Although the Dutch and the Portuguese preceded the British, it was a preoccupation with trade and sea power which motivated the British to colonise
Malaysia. British penetration of Malaysia, however, proceeded rather slowly and only started to accelerate during the last quarter of 19th century. The various states of Malaysia were headed by feudal Rulers who formed treaties with the British and approved resident or advisor status for the British. This system was typical of British indirect rule and it realised security for British trade and policy management despite the small number of British administrators and a limited financial contribution by Britain.5

The material inducement for British penetration of the interior of the peninsula was tin. In Perak and Selangor, Chinese miners had formed loose mining confederations with the Malay Rulers and were vigorous in developing the tin mining industry. Once the British started to control the interior of the peninsula, even more Chinese drawn by the prospects of economic conditions superior to those in China, began to arrive. Not all of the Chinese, however, went to the tin mines and many started to make their fortunes in retail trade.6 An influx of Indian immigrants arrived on the heels of the Chinese. The Indians filled roles in government service, became workers on rubber plantations, and like the Chinese many became merchants and retailers.7

The Chinese and Indian immigrants were not homogeneous groups. They came from many different districts and provinces in China and India. The Chinese immigrants spoke at least six different dialects while the Indians were also somewhat differentiated from each other by language, although a majority of the Indians were Tamils. Even the Malays spoke slightly different dialects of the Malay language and demonstrated allegiance to their local Ruler. Thus, early in the 20th century, large ethnic alliances did not exist and ethnonationalism was yet to be politicised.8 It was only after World War II, when independence started to become a possibility, that ethnonational formations in Malaysia became more politicised and crystallised as the various ethnic groups started to jockey for power.9 This positioning for power will be discussed below and will portray Malaysia as an ethnic state which was formed when one group, the Malays captured the state apparatus, while other groups, particularly the Chinese, organised to resist cultural domination.

As the rate of immigration into Malaysia increased, the
location of Malays, Chinese, and Indians in the economic structure remained rather fixed. The Chinese and Indians dominated the mining, rubber plantation, manufacturing, service, and the retail trade sectors of the economy. A few Malays served in government positions while the great majority of the bumiputra (Malays) worked in the agricultural sector.  

For the Chinese and Indians, Malaysia was an alien environment and they established their own cultural associations. The Chinese reproduced their home cultures and formed secret societies, clan organisations, and guilds. In trying to maintain their culture the immigrants also sympathised with various ethnonational organisations back home. The Chinese Communists and the Kuomintang appealed to the Chinese immigrants while the Indian population backed forces in India which were trying to liberate India from British rule. Thus, by the middle of the 20th century the Chinese, Indians, and Malays were segregated not only by economic position but were also self-differentiated culturally and organisationally.

Despite their inferior economic role during the colonial period, the bumiputra had existed in a stable societal arrangement when the Europeans arrived and they were never militarily overwhelmed. The discussions and negotiations between the British and the Rulers were not one-sided and the British affirmed that the Malays should be accorded distinct political status. By fashioning a governmental and administrative structure which favored the Malays, the British colonial administrators created a political arrangement which would be maintained after independence. The political domination of the Rulers and village leaders was converted to bumiputra control of the police, armed forces, and civil services after independence. The British had prepared the Malays to assume political rule but they did not provide the bumiputra with any useful knowledge about how to govern a multi-national society. By virtue of the British having modernised and reinforced Malay political rule, the Malays were only more prepared than other ethnonational groups to capture and manage the state apparatus in a newly independent society.

The socially segregated nature of Malaysian society started to unravel with the onset of World War II. The war also suggested
to the various ethnonational groups that independence was inevitable and that Malaysia's disparate ethnic communities would have to confront each other directly. The central question over how political power was to be apportioned and could not be postponed for very long. The Japanese occupation was very anti-Chinese and the Malayans and Indians were much less severely oppressed. Consequently, the strongest resistance movement during the war was the communist controlled and Chinese dominated MPAJA (Malayan People's Anti-Japanese Army).

After the war the MPAJA was in power in a significant number of areas and the British had a difficult time reasserting control. In the process, there were numerous violent confrontations between Chinese and Malays. Communists engaged in insurrection and fomented rebellion in the trade unions. By 1948 a guerrilla war had begun and lasted until 1960. The period of "the Emergency" cost almost 20,000 lives. Superficially the Emergency seemed to be driven by conflicting ideologies but it actually was dominated by cultural dimensions - over ninety percent of the communist rebels were Chinese.

The war had reinforced the ethnonational divisions in Malayan society, and with the prospects of eventual independence, an environment favorable to parties with an ethnic appeal characterised the quickly evolving political scene. There were also some external influences which exacerbated ethnic frictions. The critical external factors were the continuing appeal of the Kuomintang and the Chinese Communists for the Chinese and the Islamic influence from Indonesia for the Malays. For the Malays, religion was an important determinant of party identification. Malays are constitutionally defined as Muslims (Articles 160 and 161). For the Chinese, religion is less relevant and they can be Buddhists, Confucianists, Taoists, or Christian. The bumiputra decision to construct a constitutional provision for Islam has structurally and culturally limited the definition of a true Malay citizen - the definition was articulated in racial, historical, language, and religious terms and thus the Chinese were excluded by definition. In addition, any type of appeal to class allegiance failed miserably in the politics of the postwar period. Ethnonational political parties predominated instead of class or ideological formations.
The postwar drive for independence and resistance to British rule resulted in a temporary "Alliance" of ethnic parties which was electorally successful. This Alliance was at first almost exclusively Malay. The United Malays National Organisation (UMNO) had formed in reaction to British plans in 1945 to create a Malayan Union. The British plan would have had fundamental political consequences by increasing the number of Chinese and Indian citizens and by eroding the special position of the Rulers. The British were simply seeking a more just and equitable arrangement for an eventually independent Malaysia. The bumiputra response was predictably negative and soon all the various ethnonational groups in Malaysia had to face the reality that unless they presented some kind of united transethnic front, the British would be reluctant to grant independence.

With independence at stake, the Alliance finally became multiethnic in 1954 when the most powerful Chinese and Indian ethnic parties, the MCA (Malayan Chinese Association) and the MIC (Malayan Indian Congress), compromised for the sake of independence and joined the Alliance. In the 1956 elections the Alliance was overwhelmingly successful and Tunku Abdul Rahman, who ruled Malaysia until 1970, assumed the presidency of the UNMO. The election, however, did not accurately measure interethnic solidarity, since only 30 percent of the non-Malay population were citizens eligible to vote.

The Constitution and the Birth of the Ethnic State

In 1957 the independent Federation of Malaysia was created within a constitutional framework that institutionalised the special position of the bumiputra. The constitution was essentially a compromise which guaranteed the Malays political supremacy while assuring the Chinese continued opportunities to pursue their economic interests. Chinese support for the constitution was, however, much less enthusiastic than bumiputra support.

One factor which did create some support among non-Malays for the new constitution was the provision for Malayan citizenship for Indians and Chinese within a short time. More importantly, the new constitution enshrined the position of the
Rulers who became constitutional heads of state in their respective federal units and who also retained their functions as religious heads of state. Also incorporated within the constitutional framework were preferences for helping Malays with economic development, obtaining business and professional licenses, getting appointed to civil service positions, and for receiving educational scholarships. All of these preferences were already in practice but the new constitution guaranteed them in Article 153. The special preferences accorded to the bumiputra were supposed to be temporary until they had caught up with the Chinese and the Indians, especially in the economic sphere.

The 1957 constitution allowed that English would remain along with Malay as the official languages, but that in 1967 Malay would become the official language unless there was parliamentary opposition. Non-Malay languages were not recognised as official, but the constitutional framework did allow for certain important announcements and documents to be published in Chinese and Tamil. The Constitutional Commission recommended that Islam not be specified as the official state religion. The bumiputra forces, and in particular the Rulers, contended that not specifying a state religion would infringe upon their authority in religious matters within the various federal units. At the same time, the Alliance strongly suggested to the Constitutional Commission that non-Muslims would still be free to pursue their own religious beliefs and denoting Islam as the religion of Malaysia did not necessarily indicate that the Malaysian state was not a secular state. This line of reasoning was, however, lost on the non-Malays.

Despite the special provision for the Malays in the constitution, agreement was reached because the future of many of the special provisions remained vague and rather ambiguous. It was not constitutionally explicit that non-Malays would be free to continue their leading position in trade; non-Malays might conclude that the citizenship provisions suggested that they might eventually have more political power while the Malays would interpret the constitution as a mandate for bumiputra supremacy; the duration of the special preferences in Article 153 was not stipulated; and, the constitution made no mention of which language or languages were to be used in schools.
Eventually, the constitutional ambiguities became resolved as the bumiputra leadership of the UNMO and state policymakers continually interpreted the constitution along lines which favored the Malays. When policymaking became a zero-sum game which favored the Malays, the realities of ethnonational identity and interests started to define Malaysian politics perhaps even more than in the past, and the interethnic Alliance started to deteriorate during the 1960s. The consequence was that the guarded post-independence optimism over the possibilities of interethnic harmony started to fade rapidly.

During the 1960s the UNMO shifted even more toward pursuing bumiputra socioeconomic interests as a reaction to the expanding influence of a competing Malayan party, the PAS (Partai Islam Se Malaysia). The PAS was formed as a negative response to proposals in 1955 which suggested that the Chinese and Indians could become citizens. The PAS contended that the notion of Malay nationhood had been erased during British rule and that the British had not really returned political power to the bumiputra but had allocated it out to non-Malays by suggesting the possibility of citizenship. The PAS wanted to go much further than the constitutional provisions which they considered insufficient. They believed that Malay supremacy should be instituted throughout all levels of Malaysian society, and in particular they demanded that the offices of prime minister, ministers, governors, and leader of the armed forces must be held by bumiputras. The PAS also adopted a much stronger position than the UMNO on the Malay language, the necessity of government intervention in the economy for the benefit of the bumiputra, and that Malaysia should be ruled according to Islamic canons.

While the PAS tried to erode the UNMO and the Alliance, the non-Malay opposition, particularly Chinese, made some gains during the 1959 elections by attacking special preferences for the bumiputra and by insisting that other languages besides Malay should also be used for educational and official purposes. The results of the 1959 elections indicated that the Alliance received less than half of the non-Malay vote. Since the majority of non-Malays had by 1959 become citizens, the non-Malay vote had started to achieve critical relevance for future elections. The
Alliance, however, still received most of the Malay vote although its huge majority had shrunk somewhat.

In 1963 the present configuration of Malaysia was achieved with the inclusion of the East Malaysian states of Sarawak and Sabah. Singapore was also included in 1963 but left the federation by 1965. Chinese economic and political dominance in Singapore would be a threat to Malaysia and eventual violence could not be precluded. The natives in East Malaysia racially resemble the bumiputra but their languages are somewhat different. However, a third of the peoples of Sarawak are Muslims and two-thirds of the people of Sabah are Muslim. There is also a substantial Chinese minority in East Malaysia but the Alliance successfully broadened its influence and most of the members of Parliament from East Malaysia supported the Alliance.

Ethnonational politicisation and tensions continued throughout the 1960s. Malay and non-Malay parties and interest groups launched political offensives to influence legislation on the constitutional status of whether Malay would become the only official language in 1967. As it was a decade before, the language issue was settled rather ambiguously. In 1967 Malay did indeed become the official language of Malaysia but the 1967 decision also allowed for numerous exceptions in court, legislative, and official business. Needless to say, neither the non-Malays nor the bumiputra were satisfied.

While the political parties in Malaysia were aligning along ethnonational lines, interest groups and professional associations were also following the ethnic pattern of association and allegiance. An examination of trade unions in Malaysia provides a typical example of ethnonational segmentation.

Historically, trade union activity in Malaysia was not very significant. Until recently the bumiputra were concentrated in agriculture and unionisation was almost non-existent. The Chinese were somewhat more active but the government, fearing communist penetration of Chinese trade unions, maintained a close watch, especially with the recent experience of the emergency period. After independence the government relaxed somewhat its monitoring of union activity. Trade unions did not, however, form alliances with political parties and one explanation, other
than government monitoring, is that the period of the Alliance was to a degree transethnic but that the unions were organised along ethnic lines. It could be argued that the ethnic makeup of the unions is a result of the ethnic division of labor produced during the colonial period. Some economic sectors are still unionised according to ethnicity, the National Union of Plantation Workers is predominately Indian, but in other situations there are separate ethnically based unions for the same functional category. The Chinese and Malay teachers' unions have different opinions and interests on education policy. These unions do not compete with each other for government services but lobby for policies which maintain or extend opportunities for instruction in Malay or Chinese.  

In a case study of a Malaysian Shoe Workers' Union, Ackerman states:

Though the Malaysian government's development policies, which emphasise rapid industrialisation, are eroding the ethnically based colonial division of labor, consciousness of ethnic identity persists as a salient feature of the trade union movement...[O]rganised labor in Malaysia is constrained by a political context...that heightens ethnic rather than class consciousness among trade union members.  

However, Ackerman fails to mention the fact that the political context itself represents an ethnonational structure when Malaysia is considered as an ethnic state.

Douglas and Pedersen note that although thirty percent of the unions in Malaysia are formally multiethnic, the majority of the membership in any particular "multiethnic" union is invariably drawn from only one ethnic group. The Chinese and Malays have traditionally organised interest groups such as the various Chinese kinship organisations and Malay literary and religious societies. What must be stressed is that even the modern interest groups in Malaysia, which have very specific functional roles, still array themselves according to ethnonational identification. For
instance, taxi-driving does not carry the symbolically passionate, cultural dimensions of the functions performed by teachers, and yet there are multiple ethnically segmented taxi-drivers’ unions. The trade union leadership in Malaysia would be expected to make some type of appeal to class solidarity over the divisive forces of “false” ethnic consciousness. But the trade union leadership itself is overwhelmed by ethnonational forces:

The workers do not unambiguously distinguish ethnic and economic interests. They prefer to support leaders from their own ethnic group and to pressure these leaders to promote ethnic interests. The workers’ assertion of ethnic claims challenges the class ideology professed by trade union leaders. Both grass-roots union members and the wider political arena [the ethnic state] exert pressures that trade union leaders cannot convincingly dismiss with appeals to the rhetoric of class.

Capitalist interest organisations in Malaysia follow the same ethnonational distribution patterns as do the unions. The Malays, Chinese, and Indians each have their own Chamber of Commerce. The Chinese Chamber of Commerce is the most politically active and is loosely associated with the MCA, although the MCA keeps its distance since it is illegal in Malaysia to hold a party and union position at the same time. Since Chinese business associations are powerful and well organised, it comes as no surprise that the Malaysian ethnic state is wary of any official cooperation between Chinese politicians and business leaders.

The decade after independence was a critical time when Malaysia had the chance to become a multinational state in which all the major ethnonational groups would be represented in the formulation and implementation of socioeconomic policy. The time passed, however, with the realisation by non-Malays that Malaysian institutional arrangements would always favor the bumiputra while the bumiputra believed that the state was too
reticent in creating policies favorable enough to the Malay population.

The special preferences granted the bumiputra in Article 153 of the 1957 Constitution (the Special Rights Program) was the final factor which broke apart the fragile multi-ethnic Alliance and led to the post-1969 election ethnonational violence in which the myth of Malaysian multi-ethnic harmony totally collapsed.

The 1969 Elections and the Consolidation of the Ethnic State

The elections of 1969 and the subsequent interethnic riots were watersheds in Malaysian ethnonational relations. The reaction by the government to the election and the riots signaled the coming of age of a self-conscious ethnic state increasingly devoted to policymaking dictated by the ethnic interests of a particular segment of society over the interests of all the other segments.

The 1969 election pitted the Alliance, which had become almost completely Malay dominated (and thus essentially the UNMO) against three non-Malay parties. The three non-Malayan parties were: the Gerakan Rakyat Malaysia (Malaysian People's Movement) which was a non-ethnic party that campaigned for social and economic reforms that would guarantee "equality, justice, and equal opportunity for all"; the Democratic Action Party (DAP) which was an offshoot of the Singapore Chinese powerful People's Action Party (PAP). The DAP was also the beneficiary of Chinese disillusionment with the MCA which had been cozy with the Malayan-directed Alliance for too long; and, the People's Progressive Party (PPP) which represented certain Indian and Chinese regional interests. The DAP campaigned for an end to Malayan special privileges by demanding ethnic equality, cultural pluralism, and educational equality through instruction in Malay, Chinese, Indian, or English. The PPP articulated dissatisfaction with what they judged as pro-Malay policies by the Alliance government.38

The opposition parties were particularly concerned with the emotional issues of language and education, and of the future interests of non-Malays in a country in which they saw that
bumiputra interests were encroaching on the interests of the non-Malay population. The results of the election shocked the Alliance. Despite capturing a majority of seats in the Parliament the Alliance majority had dropped below the two-thirds necessary for a smooth constitutional amendment procedure. In the popular vote the Alliance declined from 58.4 percent in 1964 to 48.8 percent.

On the day following the elections, May 13, opposition supporters took to the streets of Kuala Lumpur for “victory marches.” The bumiputra felt threatened and responded by attacking non-Malays, especially Chinese. The scale of the violence reminded some of World War II and the Emergency period. After four days of bloody fighting the Constitution was suspended and a national emergency was declared. Even then, sporadic ethnonational violence continued for the next two months. Lee suggests that the May 13 riots are now irrevocably imprinted upon the Malaysian population as a collective memory, albeit a different memory for Malays than for non-Malays.

The riots symbolised, particularly for the Chinese, the end of any real political representation. Their electoral success was an empty victory since they did not have any military power to protect the Chinese community against the bumiputra. Because of the riots a new generation of Chinese leaders emerged who were willing to define Chinese cultural and political survival as contingent upon economic success. Consequently, the Chinese perceived stability and survival as dependent upon economic cooperation with the bumiputra. The May 1969 events signalled to the non-Malayan community that individual protest against Malayan dominance was useless and that any collective action was suicide since the military power the Malays could at any time be again turned against non-Malay protests.

The Malays, however, interpreted the May 1969 events as a “collective symbol of the political sanctity of Malay nationalism.” This symbol of the Malayan struggle was institutionalised with the inauguration of the New Economic Policy (NEP). The NEP set 1990 as the target date for a transformation of the Malaysian socioeconomic system to the point where the bumiputra would enjoy a thirty percent share in commerce and industry. The NEP
signalled the beginning of almost parasitic intrusions by the bumiputra into Malaysian economic life at the expense of the non-Malays, especially the Chinese. In the political sphere bumiputra leadership insured that:

Domination of political institutions was achieved by the installation of Malays in all key political positions and the assertion of Malay culture as the central component of Malaysian national culture. With these achievements the Malay Weltanschauung could no longer be taken for granted and the non-Malay Weltanschauungen were forced to the periphery.43

The level of the violence, and the fact that it was centered in the capital, suggested to the bumiputra that the Alliance was not fit to govern. Eventually the prime minister, Tunku Abdul Rahman, gave up the leadership of the UMNO to his deputy, Tun Razak. After 1969 Tunku was under constant criticism for not being completely pro-bumiputra, particularly on language issues. His most aggressive opponent within the UMNO was Dr. Mahathir bin Mohamad, who today is the prime minister of Malaysia.44 Tunku was kept in power, however, because it was believed by the UNMO that his non-violent image would help prevent any further outbreaks of bloodshed. The control of the security forces was given to the National Operations Council (NOC) whose director was Tun Razak. The NOC oversaw the state of emergency and the suspension of Parliament.45 Although the 1969 elections did not change the government, the NOC, which was comprised of bumiputra politicians, bureaucrats, and the military, became a structure which closely monitored the government, particularly interethnic affairs.

Before the events of 1969, discussion of ethnonational issues had been generally circumvented by the government. But the riots indicated that explosions of ethnic violence might not necessarily be out of the ordinary. The government and the NOC believed that unless something was done, violence would become endemic. The solution was not only to avoid public debate over
ethnonational issues but to limit discussion through parliamentary prohibition. Parliament finally convened again in March 1971 and passed a sedition amendment to the constitution which made illegal the public discussion of certain sensitive issues. These prohibited subjects included the special preferences for Malays and the rights of non-Malays, the unquestioned sovereignty of the Rulers, and the question of citizenship. Over 250,000 non-Malays who had become citizens before 1962 had their citizenship revoked under the provisions of the new laws. This action was meant to appease the bumiputra and to show non-Malays that the NOC was serious.

Furthermore, the article which was concerned with the national language was more clearly delineated specifying the precise purposes for which Malay must be used. Questioning these new laws was not only seditious, but the gag on discussion of ethnic issues was extended to Parliament and state legislatures. Even the possibility of amending the new sedition laws was made remote by provisions which rendered amendment almost impossible. The paradox of these amendments is that they reinforced the ethnic state, a state in which all decisions are made for the benefit of the bumiputra, and yet, public discussion of ethnic issues which are central to the political motivations of the state is prohibited.

In October 1987, the government arrested over 100 non-Malays: opposition politicians, academics, Chinese educators, members of various interest groups, and church workers. They were charged with racial extremism for publishing allegedly seditious works. These arrests were precipitated by questions over Chinese education which outraged the bumiputra. Tension escalated when a Malay soldier lost control and murdered several non-Malays in the same area as the May 1969 riots in Kuala Lumpur. However, the tension was as much a product of a factional struggle within the UNMO as it was over Chinese education. Lee contends that this event in 1987 was "orchestrated" in order to reinforce bumiputra ethnonational identity by reminding them that the situation was similar to the May 1969 events. Lee asserts that:
the 13 May incident has transcended the actual event to become an ideological instrument of the state [by] being a powerful symbolic code for protecting Malay nationalism and curbing non-Malay assertiveness.50

By outlawing the discussion of ethnonational issues the government was able to reduce the allure of ethnic parties. Non-Malay parties were hindered in their capacity to criticise the government on specific politically emotional concerns. In addition, the Islamic party (PAS), discovered that it was more difficult to compete with the Alliance/UNMO because the new laws were also extremely pro-bumiputra and pro-Islamic. Despite all the restrictions, opposition organisations were still able to present ethnonational issues to their constituencies if they discussed the issues in a manner which was non-threatening to the bumiputras.51

By 1974, the Alliance had been renamed the National Front. The Front, over the next decade, not only continued bumiputra control over the government, but both Malay and non-Malay opposition parties were to a greater or lesser degree all coopted because of the necessity of cooperating with the government in order to receive any benefits for their constituencies. Moreover, opposition parties pursued very narrow themes and platforms. Malaysian politics had become very predictable and real conflict was suppressed.52 Jesudason describes the cooptation of opposition parties by the National Front as a form of corporatism:

This political strategy, which we shall call ethnic corporatism, approximates Schmitter’s53 idea of corporatism, by which he means a highly centralised system of interest representation controlled strongly by the state. The choice for leaders of opposition parties was to either join the ruling party and have a small amount of influence and prestige, or remain as opposition parties with their hands tied.54

Jesudason’s depiction is interesting, but he could have taken it one step further. Schmitter differentiates between societal
and state corporatism, where the latter resembles the fascist model in which interest groups are formed and directed by the state. Societal corporatism, on the other hand represents an arrangement in which interests freely associate and are voluntarily institutionalised within the policymaking structures where the concerns of all groups are considered. From Schmitter's perspective, Malaysia falls somewhere between the societal and the state model of corporatism - groups can freely associate and be institutionalised, but unless they represent the bumiputra, the state dominated arrangement grants few favors. However one decides to interpret the politics of the post-1969 period, the May 1969 elections were in fact a bitter defeat for almost half of the population that was not bumiputra. Clearly, the reaction to the May 1969 riots had set the Malaysian ethnic state on course.

Policies of the Ethnic State

The policies which the Malaysian state enacted after 1969 were shaped by the demands of an ethnic state which was determined to pursue bumiputra ambitions. The discussion below will examine some of the economic, educational, language, and religious policies of the Malaysian state. It will be argued that the success of these policies has been rather limited, despite the power of the ethnic state, because ethnonational formations in Malaysia, including the bumiputra in the economic sphere, have been to a significant degree resistant to state intervention.

As mentioned previously, the most critical dimension of the NEP, which continues to this day in five-year plans, is the active participation of the state in corporate ownership via state enterprises. In order to realise the 1990 goal (which has not been met) of 30 percent Malay ownership of the economic sector, monetary allocations for new and existing government enterprises were considerably increased after 1969. But by the mid 1970s, of the 353 million dollars of share capital that was reserved for Bumiputra investment, only half was appropriated for investment. And by 1973, only six percent of the shares in new companies was owned by bumiputra.55 These figures were unacceptable to the state and the Bumiputra Investment Foundation was established in 1974 to steadily increase bumiputra investment over the decade
of the 1970s and by 1981 it was estimated that over 350,000 bumiputras had participated.\textsuperscript{56}

As part of the NEP, Malaysian banks were required to boost lending to Malay entrepreneurs. In August 1974, Malaysian banks were directed to grant at least 12 percent of their loans to the bumiputra and by October 1976 the credit share guarantee for Malays was increased to 20 percent.\textsuperscript{57} There was no end to the various schemes, enticements, and entitlements which the state devised in order to create an entrepreneurial bumiputra juggernaut.

The ethnic state also launched an effort to increase the ranks of the bumiputra in higher education. In 1970, the Malay percentage of university students was 40 percent (3,237 students). By 1975 the percentage had risen to 57 percent (8,153 students), and in 1980 the percentage had further increased to 67 percent (13,857). Clearly the bumiputra portion of university students had risen to a level far beyond the percentage of Malays in the population.\textsuperscript{58} The Malaysian government was expressly attentive to the need for bumiputra education in business, science, and technology in order to help train a vigorous future bumiputra industrial and commercial community. But the government has been less successful in this area. For example, in 1970 only 12 percent (384) Malays pursued degrees in science compared to 49 percent (2,430) non-Malays in science fields. By 1975, the percentage of Malays in science education had changed to 29 percent (2,342) while the percentage of non-Malays had increased dramatically to 65 percent (4,004) non-Malays.\textsuperscript{59} The success of non-Malays in the science fields had been a thorn in the side of the ethnic state and officials are sensitive to bumiputra demands that access of non-Malays to science education perhaps should be limited. Moreover, bumiputra students still gravitate to fields where they can then enter the civil service and receive a secure job after graduation.

The impact of the education policies aimed at creating a considerable professional and middle class was only a partial success. In 1957, only 3 percent of the bumiputra were in the professional/technical and administrative/managerial occupational categories. The combination of these classifications
grew to 4.8 percent Malay by 1970 and to 6.1 percent Malay in 1980. In other occupational classifications, the bumiputra percentages also increased. The outcome of this growth, however, was a relatively low impact upon the Malay/non-Malay balance in the occupational categories that the government attempted to effect. Even though non-Malay growth in this period slowed down, the Chinese percentage in the first two occupational classifications is still appreciably higher than the bumiputra. Furthermore, during the decade of the 1980s, bumiputra growth in these categories had slowed.60

In the corporate sector the economic growth of non-Malays has slackened compared to the bumiputra, but the non-Malayan share of the corporate sector is still over three times that of the Malays. Changes in corporate ownership from 1971 to 1980 have favored the Malays but their relative impact is still not overwhelming. The bumiputra have gone from a 4.3 percent share of the corporate sector while the non-Malays (in this context the Chinese) have gone form 34.0 to 40.1 percent of the corporate sector. Moreover, in the context of household income, the median income of the Chinese is still almost twice that of the bumiputra (as of 1981).61

Although the bumiputra seem to be catching up somewhat in the corporate sector, even the statistics can be misleading. Lim contends that almost all successful bumiputra businessmen have joint ventures with non-Malayan partners, whether they be local or foreign.62 One explanation for bumiputra predilection for partnership with non-Malayans, and unwillingness to engage in bumiputra entrepreneurship, is part of what is referred to as the “Ali-Baba” phenomenon:

Statistics in the various industries seem to indicate considerable success in Malay participation; but the reality is less comforting. It is revealed time and time again, in almost every Malay economic conference, that most Malays resell their licenses or corporate control to non-Malays for a lucrative fee and allow their names to be used as fronts for non-Malays who run the enterprise and pay a
tribute the Malays. This problem of sleeping partnership, termed Ali-Baba...is as intractable as it is ubiquitous...the Malays who are granted licenses or have corporate ownership find it easier to sublease or relinquish corporate control for a lucrative fee than to operate the business themselves.63

Lim suggests that the Ali Baba phenomenon is essentially a cultural disposition in which the bumiputra would rather profit less and not have to work with non-Malayans. It is a subjective ethnic prejudice which overcomes the rational economic decision to control one's own venture and reap the monetary benefits. Thus, the ethnic state has to contend with bumiputra resistance to certain ethnic affirmative action programs which do not redistribute wealth but instead attempt to foster a culture which will itself grow into economic dominance.

The language policies of the Malaysian ethnic state have been a failure compared to the very limited success of the economic policies. The state has legislated a single official national language (Malay) in order to overcome the difficulties of ruling a multinational state. These policies have served to assuage the intense feelings of the bumiputra but they have also served to solidify the ethnopolticisation of the non-Malay communities. The statistics presented below indicate that from 1972 to 1978, knowledge of Malay by non-Malays has decreased (see Table 1) while intra ethnic communication has also declined.64

The language statistics reinforce the argument that the politicisation of ethnicity among non-Malays is a reaction to the attempts by Malayan ethnic state to rationalise administration in a particular direction. Although Malaysia is multiethnic, policies like the ones pursued by the Malaysian ethnic state rationalise administration and politics in a way which favor the the bumiputra. Consequently, the various non-Malay ethnonational actors are politicised and the consciousness of the various ethnic groups is crystallised. In addition, the ethnic state of Malaysia is itself a hostage to subjective ethnonational concerns and could not pursue different language policies even if it attempted to change course.
But of course, the Malaysian ethnic state is not likely to change its course. The present Prime Minister, Mahathir bin Mohamad, writes that:

Malay is truly the indigenous language... As the language of the first people to settle and form effective governments... it has priority over other languages as the definitive language of the country... To be identified with the definitive people it to accept their history... their language... and to reject anything else... Their language distinguishes them from other nationals, and, when adopted by new non-Malay citizens, would similarly distinguish them.65

It is clear from Mahathir's pronouncements that the bumiputra believe that any language demands by non-Malays are counter to the spirit of Malay ethnonationalism. Despite the encouragement for non-Malays to learn Malay, non-Malays who have learned Malay and have attended Malay schools still confront significant restraints in job and educational opportunities outside of their own ethnonational formations.66 The outcome of the language policies are apparent when one considers that among non-Malays the knowledge of the Malay language eroded over seven percent in the short six year span between 1972 and 1978.

In August of 1985, the government announced that it intended to close Tamil and Chinese primary schools since they were a obstacle to national integration. This pronouncement produced an intense reaction from Chinese and Indian educators. The government also decided to phase out English language schools as another method to achieve integration. Non-Malays felt frustrated since English was the medium for conducting international business and for functioning within the British Commonwealth. The government has also planned to phase out Mandarin instruction in Chinese high schools. The inevitable reaction has only furthered ethnonational friction and has solidified subjective perspectives of one's own ethnic identity and of the ethnic identity of others.67
Table 1

Percentage of Population 15 and Over Who Can Understand Various Languages in Peninsular Malaysia, 1972 and 1978

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Malay</th>
<th>English</th>
<th>Mandarin</th>
<th>Tamil</th>
<th>Hokkien</th>
<th>Cantonese</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>100</td>
<td>17.2</td>
<td>0.2</td>
<td>0.7</td>
<td>0.8</td>
<td>0.2</td>
</tr>
<tr>
<td>1978</td>
<td>100</td>
<td>19.9</td>
<td>0.1</td>
<td>0.7</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>Chinese</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>75.5</td>
<td>24.5</td>
<td>64.2</td>
<td>1.0</td>
<td>70.2</td>
<td>68.6</td>
</tr>
<tr>
<td>1978</td>
<td>68.7</td>
<td>33.9</td>
<td>66.3</td>
<td>0.6</td>
<td>77.1</td>
<td>69.3</td>
</tr>
<tr>
<td>Indian</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>88.8</td>
<td>41.7</td>
<td>0.2</td>
<td>98.6</td>
<td>2.0</td>
<td>0.9</td>
</tr>
<tr>
<td>1978</td>
<td>81.3</td>
<td>47.3</td>
<td>0.8</td>
<td>98.2</td>
<td>2.0</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>89.7</td>
<td>22.8</td>
<td>24.3</td>
<td>11.2</td>
<td>27.1</td>
<td>26.0</td>
</tr>
<tr>
<td>1978</td>
<td>86.4</td>
<td>28.4</td>
<td>24.5</td>
<td>11.3</td>
<td>28.9</td>
<td>25.7</td>
</tr>
</tbody>
</table>


Merdaka University is a Chinese institution in which Chinese was the medium of instruction, but by 1982 the state decided that non-Malay languages can be used for daily expression, but not as mediums of instruction in educational institutions. A state official even insisted that:

Merdaka University is a futile dream. It would be easier for hell to freeze over than for Merdaka University to be established under prevailing circumstances in Malaysia.68

Despite the assaults by the government on non-bumiputra languages, perhaps the most counterproductive aspect of the language policies is the phasing out of English language instruction. The English language is the last centripetal force left which could bring the various ethnonational groups together in some common forum (and provided opportunities for education abroad).
Religious policy in Malaysia also took a stronger pro-bumiputra turn after the 1969 violence. The emergence of an Islamic reviviser movement (dakwah) during the 1970s had a profound effect on Malaysian ethnonational relations. The bumiputra state not only made the Malay language the official tongue of Malaysia but Islam was further reinforced as the state religion after 1969. The ethnic state quickly acceded to many of the demands of the dakwah movement in order to outflank bumiputra Islamic parties. One of the most inflammatory issues was land allocation for religious buildings. Before independence non-Malays were able to erect churches and temples on property received from the British colonial government. But after independence, and particularly after 1969, the pressure for Islamisation grew and non-Muslims experienced ever increasing obstacles in acquiring land and building permits. Non-Muslims were reduced to congregating and worshipping in rented houses and storefront facilities.

Non-Muslims have formed organisations to air their grievances over real and imagined cases of religious persecution. Although these organisations have been somewhat vocal in public, their role seems limited to presenting seminars and giving out press statements. The ethnic state will only negotiate with individual religious organisations and non-Malay politicians and will not recognise the legitimacy of any transethnic non-Muslim organisations. Christian denominations which have a very pan-ethnic character have been particularly singled out by the Malaysian government for close scrutiny.

Conclusion

Lee portrays state policies in Malaysia as a process of ethnic rationalisation. He follows Anthony Smith's argument that "the resurgence of ethnic nationalism and the growth of the scientific state cannot but become locked into a vicious cycle of conflict." The Malaysian state, however, reduces some of this conflict by policy rationalisation which incorporates the cultural essence of the dominant ethnonational formation within the state apparatus. Lee contends that such a state is "characterised by a
rationalism that is influenced by nationalist ideals." Whenever this type of state, which I call the ethnic state, has its rationality challenged by competing forces such as the dakwah movement, the state (since it is an ethnic state) easily incorporates the religious movement within the "iron cage" of the state.74

In appraising the effectiveness of Malaysian ethnonational "affirmative action" plans, Lim suggests that the future for Malaysia might be protracted social conflict:

It does not appear that the affirmative action program, as is presently conceived in purely ethnic terms, could contribute to social unity because the conventional idea of a minority which is discriminated against politically, economically, and socially does not apply to Malaysia. While Malays are economically disadvantaged, they are politically superior, and the opposite is true for the non-Malays. Therefore, who constitutes a minority and receives special assistance is not unambiguous. But if the central purpose of any affirmative action program is social and economic justice and redistribution in favor of the discriminated, as it should be, then the primary consideration for receiving assistance should be based on needs, a universalistic criterion, rather than ethnicity, a particularistic trait. Unless the government is willing to use this yardstick, its economic boon will also prove to be its social bane.75

Lim argues for class based solutions in Malaysia, although a capitalist theorist might also agree with Lim because a recommendation based on economic need also judges people as individuals instead of as members of a group. In response to any class or individually based policy recommendations, the Malaysian ethnic state scuttles such considerations because it is in the business of ethnocentric rationalisation and is in the grip of ethnonational bonds which transcend classes and individuals.

In a devastating polemic, Margaret Scott who is an editor
of *The Far Eastern Economic Review*, posits that the Malaysian ethnic state has gone even beyond the politics of ethnonational privilege and now "discrimination is the law of the land and segregation the way of life." She suggests that there is a feeling of hopelessness among a non-Malay population that has become fatalistic about life in Malaysia for a non-Bumiputra. In contrast, the Malays have gone from a perspective after the 1969 riots where they demanded temporary ethnonational privileges for assisting the bumiputra, to an outlook were the special preferences are considered inviolable and permanent. From her observations of the socioeconomic environment, Scott contends that without the endless reams of statistics which prove that the bumiputra are victims, the Malays would be hard pressed in justifying the retention of their privileges. Scott does conclude with a bit of optimism when she suggests that some of the young bumiputra intelligentsia are having second thoughts about the practicability and ethical dimensions of the constitutional guarantees for the Malays.

Cait Murphy concludes that Malaysia is "the grandest affirmative action failure of all" and that:

In the wake of India's caste riots, Sri Lanka's civil war and Fiji's political mess, one might expect Asian policy makers to have wised up to the dangers of racial number-crunching. That is not the case. In Malaysia, in particular, the arithmetic of race is calculated in education, in business and in every part of the political system. The country's wide-ranging efforts of social engineering have only widened ethnic divisions and have dampened economic growth. They have also undermined any chance of creating a national identity to which all Malaysians can claim a connection. Malaysia is a lesson with implications for any society tempted to believe that racial formulas can be allocated with justice and imposed without rancor.

Clearly, Ms. Murphy's warning is applicable to a myriad of nation-states within and beyond the Pacific arena. Of the 185
states in the world, over 80 percent are multiethnic, and in the
fallout associated with the end of the bipolar arrangement of the
cold war, the tendency of many states to pursue policies that favor
the dominant ethnonational formation (the ethnic state scenario)
will eventually only protract ethnopolitical conflict within states
and across regional borders.

Endnotes

2. The term "bumiputra" means "sons of the soil" and is a politically
potent term because it represents the paramount political position
of the indigenous Malays over the non-Malay population.
4. Cait Murphy, "The Grandest Affirmative Action Failure of All,"
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6. Chew, Daniel Chew, *Chinese Pioneers on the Sarawak Frontier 1841-
1941*, Oxford: Oxford University Press, 1990; Francis Loh Kok Wah,
*Beyond the Tin Mines*, Oxford: Oxford University Press, 1988; Victor
Purcell, *The Chinese in Malaysia*, London: Oxford University Press,
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7. Rajeswary Ampalavanar, *The Indian Minority and Political Change In
Singh Sandhu, *Indians in Malaysia: Some Aspects of their Immigration
*Pacific Affairs* 33, 1960: 158-68; Donald L. Horowitz, "Ethnic Identity,"
in *Ethnicity: Theory and Experience*, Nathan Glazer and Daniel P.
24. Ibid., p. 40.
25. Ibid.
36. Ackerman, "Ethnicity and Trade Unionism in Malaysia: A Case Study of a Shoe Worker's Union," p. 166.
42. Ibid., p. 491.
43. Ibid., p. 492.
44. Vasil, Ethnic Politics in Malaysia, pp. 184-5.
57. Ibid., p. 265.
61. Ibid., p. 268.
62. Ibid., p. 268.
63. Ibid., p. 259.
64. Martina Ting and Lee Yong Leng, "Language and National Cohesion in Malaysia," Asian Profile 14, 1986: 523.
68. von Vorys, Democracy Without Consensus, p. 275.
74. Ibid., p. 499.
77. Murphy, "The Grandest Affirmative Action Failure of All."