

# Policies for Politics: Fixing Malaysia's Broken System

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## Executive Summary

- Already arguably an illiberal democracy, Malaysia's extractive and, at times, oppressive political institutions have laid the groundwork for a failed democracy. Political reforms thus take foremost importance in reshaping our country's future. This paper sets forth some policies to that end.
- Recognising the need for constitutional changes, we propose such steps to restore the separation of powers between the executive, the legislative, and the judiciary. These include:
  - Enforcing greater checks and limits on the executive's powers, such as by: limiting the Prime Minister's tenure to two electoral terms; reducing the size of the Cabinet to 20 ministries and no more than 45 members; boosting the independence of external enforcement agencies from the executive; practicing collective ministerial responsibility; and slashing the Prime Minister Department's annual budget by some 90% to RM2bil.
  - Strengthening parliamentary sovereignty and the legislative process by: increasing the number and oversight of parliamentary select committees; improving parliamentary question time; providing MPs with sufficient resources to research policy and legislative issues; and engaging stakeholders throughout the law-making process.
  - Ensuring an independent judiciary by: recommending judges to the Federal Court and Court of Appeal via a parliamentary selection process before proceeding to the Yang di-Pertuan Agong for appointment; making the Judicial Appointments Commission independent of the executive; and matching judges' remuneration to upper-level salaries of senior lawyers, engineers, and doctors in the private sector.
- Additionally, we outline policies concerning the civil service, the federal-state government relationship, the *rakyat*, and political party funding:

- Rejuvenation of the civil service through: freeing appointments and promotions of civil servants from any undue political influence; selecting top public officials via a parliamentary selection process, subject to the Yang di-Pertuan Agong's final approval; establishing a separate Public Services Commission for Sabah and Sarawak, helmed by Sabahans and Sarawakians themselves; focusing on private-sector growth to incentivise civil servants' transition from the public sector; and embarking on a zero-tolerance corruption policy preceded by an amnesty for minor corruption.
- Redressing the relationship between the federal and state governments by: tasking a Royal Commission to study and recommend reforms to the federal system of government; returning 20% of state-generated revenues to the respective state government; prioritising the development of the poorest states in allocating the federal budget; rightfully executing the terms of the 1963 Malaysia Agreement; and determining and devolving suitable ancillary powers to state governments, particularly to those demonstrating good governance.
- Championing human rights for the *rakyat* by: creating a legislative environment that allows for a free press, including a Freedom of Information Act and enhanced whistle-blower protection; repealing draconian laws; enlarging the financial and monitoring capacity of SUHAKAM; and ratifying of the UN Universal Declaration of Human Rights and the 1951 UN Convention and Protocol Relating to the Status of Refugees.
- Promoting accountable and transparent political party finances through: direct government funding of political parties based on votes garnered in the latest general election to alleviate political parties' need for external donations; limiting donations a party can receive to RM20,000 per donation, from individual donors only; and limiting assets a party can own to RM200mil at any one time.
- While extensive, our list of proposals is by no means exhaustive. Nonetheless, we believe that any government that implements these policies will truly serve our country's present and future generations.

## 1.0 Introduction

- 1.1 Broadly speaking, Malaysia is on a political trajectory towards becoming a failed democracy. The unrelenting erosion of democracy in our country has led to today's untenable political environment. Repressive laws—such as the Security Offences (Special Measures) Act 2012 (Act 747, abbrev. SOSMA), the 2015 amendments to the Sedition Act 1948 (Act 15), the Prevention of Terrorism Act 2015 (Act 769, abbrev. POTA), and the National Security Council Act 2016 (Act 776, abbrev. NSC)—have been passed to buttress the political position of Dato' Sri Najib Razak at the expense of human rights.
- 1.2 We note that the passing of these draconian laws coincided with the unravelling of the 1Malaysia Development Berhad (1MDB) scandal. The people, already weary of a diminished democracy, are now very worried that Malaysia is mutating into a corrupt dictatorship.
- 1.3 During the Mahathir Mohamad administration, political repression was often touted as necessary for economic growth. Consequently, Malaysians have historically tolerated authoritarianism in exchange for perceived economic gains. After being stuck in the middle-income trap for almost two decades, Malaysians are awaking to the reality that economic stagnation is actually caused by authoritarianism and the lack of democratic institutions.
- 1.4 For Malaysia to move towards a high-income nation, political institutions must be redirected towards greater democracy; if we fail, not only will we be stuck in the middle-income trap, but we may very well become a failed state. As such, the central steps this paper will cover are:
  - (a) constitutional reforms and the separation of powers between the executive, legislative, and judicial branches of government;
  - (b) revising appointment and administration processes in the civil service;
  - (c) redressing the federal–state government relationship;

(d) empowering the *rakyat* through human rights; and

(e) revising political party funding.

- 1.5 There is no doubt that reforming our country's political system will be an arduous process. Rather than flinching at this formidable task ahead, this paper provides a platform for us to consider these issues and to propose effective policies and solutions.

## 2.0 The need for constitutional reforms

- 2.1 Historically, Malaysia inherited the Westminster system of democracy from the British colonialists. Our Federal Constitution is based on the principle of parliamentary sovereignty.

- 2.2 However, as Malaysian democracy continues to erode, we now have a malevolent government that effectively bypasses both our Federal Constitution and Parliament. Regaining public confidence must begin with a complete rejuvenation of the Federal Constitution to reset and uphold the practice of parliamentary democracy and the separation of powers between the executive, the legislative, and the judiciary.

- 2.3 We propose such constitutional reforms in the three sections that follow:

(a) First and foremost, the powers of the executive must be substantially curtailed to restore parliamentary sovereignty;

(b) Secondly, the legislative (i.e. Parliament) must in turn be empowered. Parliament, instead of the executive, must be authorised to directly monitor key bodies such as the Attorney- and Auditor-Generals, the Malaysian Anti-Corruption Commission (MACC), and the Election Commission (EC); and

(c) Thirdly, the judiciary must be allowed complete independence from the executive, so as to interpret the Federal Constitution and laws without fear or favour. This means the appointment of senior judges

must be taken away from the executive and be done via a parliamentary open selection process.

### **3.0 The executive: Check the Prime Minister and Cabinet**

- 3.1 The Malaysian executive branch comprises the Prime Minister and the Cabinet. Currently, they possess unreasonably extensive powers that contravene the very nature of a democracy. Arbitrary secrecy laws, in particular, the Official Secrets Act 1972 (abbrev. OSA), reinforce a lack of accountability and transparency on the executive's conduct.
- 3.2 Consequently, the executive branch is rife with corruption and abuses of power, evidenced in numerous major scandals from the Bumiputera Malaysia Finance–Carrian Group scandal in the 1980s, to the current 1MDB scandal. To protect themselves, a flurry of draconian laws were passed to suppress legitimate criticism and dissent.
- 3.3 Where do we begin in reforming and restoring the executive branch to its original position as prescribed by the Federal Constitution?
- 3.4 The executive body is authorised to execute policies and to administer the national budget in line with the laws and policies decided on by Parliament. In executing these laws and policies, the executive is put into a position of trust, and as such, must adhere to the highest level of integrity and accountability. Therefore, reforming the executive must start with ensuring greater accountability and transparency in their conduct.
- 3.5 It is a truism that incumbency breeds corruption. The very first reform is thus to limit the term of the Prime Minister to only two electoral terms, or a maximum of 10 years.
- 3.6 We also propose that asset declaration be made mandatory for the Prime Minister and his immediate family members, as well as for the Cabinet ministers and their immediate family members. These asset declarations are to be published for all to see.

- 3.7 The Cabinet should be pared down to 20 ministries from its current 25.<sup>1</sup> It should not exceed 45 members, a significant reduction from the current 69.
- 3.8 External monitoring and enforcement agencies, such as the Attorney-General's Chambers, the Central Bank of Malaysia (Bank Negara Malaysia), the MACC, the National Audit Department, and the Securities Commission, must be made independent from the executive. They too must be given adequate resources and strengthened to curb the powers of the executive and to monitor the Cabinet's activities. These agencies are meant to protect the Federal Constitution and the people, and to counterbalance excessive executive powers.
- 3.9 Furthermore, these agencies must be made accountable and report directly to Parliament, not the executive. Their key officials should be selected by Parliament, and their budget is to be decided on by a parliamentary standing committee. These fundamental reforms will restore parliamentary sovereignty and prevent the Prime Minister from becoming a kleptocratic dictator.
- 3.10 We must redefine the Prime Minister's scope of work. In particular, his primary job is to make administrative decisions and to manage his Cabinet colleagues to realise the policies approved by Parliament. He cannot unilaterally make policy decisions. Nor can the Prime minister hold any additional portfolio.
- 3.11 Within the Cabinet, the Prime Minister is to be first among equals. He must ensure that his ministers are competent, honourable, and accountable at all times. The concept of collective ministerial responsibility should be enforced, whereby a fundamental failure of one Cabinet member may trigger a collective resignation of the entire Cabinet. Subsequently, this would motivate the Prime Minister to concentrate on his role as Cabinet

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<sup>1</sup> These 25 federal government ministries comprise the Prime Minister's Department, and the Ministries of: Agriculture and Agro-based Industry; Communication and Multimedia; Defence; Domestic Trade, Co-operatives and Consumerism; Education; Energy, Green Technology and Water; Federal Territories; Finance; Foreign Affairs; Health; Higher Education; Home Affairs; Human Resources; International Trade and Industry; Natural Resources and Environment; Plantation Industries and Commodities; Rural and Regional Development; Science, Technology and Innovation; Tourism and Culture; Transport; Urban Wellbeing, Housing and Local Government; Women, Family and Community Development; Works; Youth and Sports.

leader and to ensure his ministers are performing up to standard.

- 3.12 To restrict opportunities for corruption, the Prime Minister should neither head any sovereign wealth funds (e.g. 1MDB), nor oversee any mega public-private partnership projects. He should not be allowed to exert any undue influence on the operations of quasi-governmental agencies.
- 3.13 The budget of the Prime Minister's Department must be substantially cut by some 90% to an amount of RM2bil, as is appropriate to manage the Cabinet but not to supersede and directly interfere in the operations of other ministries. Spending on protocol must be drastically slashed to project austere yet respectful leadership, in consideration that money can be better used to help the poor.
- 3.14 Additionally, a clear line of ministerial powers and responsibility needs to be established. To illustrate, the Ministry of Works should, by right, be in charge of the Mass Rapid Transit (MRT) project. Contrast this with the current situation whereby the Prime Minister is inexplicably in charge of the MRT project.

#### **4.0 The legislative: Uphold parliamentary sovereignty**

- 4.1 At best, Malaysia's current parliamentary procedures and rules are warped versions of the Westminster model. There is no comprehensive policy- and law-making process. We suffer from a dearth of essential select committees relating to essential ministries. Question time is severely limited, with no specific provision of a Prime Minister question time. There is no requirement for the Prime Minister to attend parliamentary sittings or to answer parliamentary questions.
- 4.2 There are currently five committees of the Malaysian House of Representatives (*Dewan Rakyat*—the lower house of Parliament), viz. the Committee of Selection, Public Accounts Committee, Standing Orders Committee, House Committee, and Committee of Privileges.<sup>2</sup> In stark

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<sup>2</sup> Parliament of Malaysia, *House of Representatives: Committee*, 2017, <http://www.parlimen.gov.my/jawatankuasa-dr.html?uweb=dr&>.



contrast, its United Kingdom (UK) counterpart (the House of Commons), has 47 Select Committees, which operate alongside General Committees, Grand Committees, and Joint Committees.<sup>3</sup>

- 4.3 Hence, our first and foremost proposal is to establish more select committees. Their composition shall be equally balanced between Government and Opposition Members of Parliament (MPs), with Chairs appointed from the Opposition and given a final casting vote. All parliamentary proceedings must be afforded live telecast, made open to the public.
- 4.4 Of these new select committees, permanent committees will oversee pertinent areas including finance, the economy, home affairs, defence, education, health, and public works. In addition, MPs must be proactive in forming ad hoc committees as and when required. For example, Parliament should have created an ad hoc committee in response to the MH370 tragedy, which could have worked in tandem with the Ministry of Transport.
- 4.5 To improve how parliamentary question time is conducted, we make two basic proposals: first, questions to ministers should only require two days' notice so that any contemporary, urgent questions can be raised; second, the Prime Minister must participate in a specific Prime Minister question time on a weekly basis so that national issues can be dealt with directly.
- 4.6 To ensure a more meaningful and insightful Parliament, the offices of MPs must be adequately resourced. Service and research centres must be sufficiently funded to enable MPs to conduct substantive legislative and policy research. MPs must also be empowered to request and obtain relevant information, data, and statistics for them to contribute significantly to policymaking. The amount of resources allocated to MPs should be decided by Parliament, not by the executive.
- 4.7 Finally, the parliamentary law-making process must be reformed to include substantive stakeholder consultation, such as with civil society

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<sup>3</sup> Parliament UK, *House of Commons select committees*, 2017, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/>.

representatives and professional experts.

## 5.0 The judiciary: Regain independence

- 5.1 For the judiciary to be professional, impartial, objective, and honest, we must establish two fundamental principles relating to appointments and emoluments respectively.
- 5.2 Firstly, judicial appointments and promotions must be transparent, with Federal Court and Court of Appeal judges appointed via a parliamentary selection process before proceeding to the Yang di-Pertuan Agong for appointment. This selection process must be supported by a clearance report from the MACC. All judges will be required to submit asset declarations on an annual basis, to be made public for all to see.
- 5.3 The Judicial Appointments Commission—currently responsible for selecting superior court judges for the Prime Minister’s consideration, and for making recommendations about the judiciary<sup>4</sup>—must be independent of the executive. As such, all judicial nominations made by the commission shall be monitored by Parliament.
- 5.4 Secondly, judges must receive fair wages and compensation. Essentially, the remuneration of judges must be on par with private-sector pay of senior lawyers, engineers, and doctors. Final remuneration shall be decided upon and approved by Parliament.

## 6.0 The civil service: Revise appointment and administration

- 6.1 Having proposed reforms for the three branches of government, we now turn to the “backbone” of good governance, namely the civil service. Our country unquestionably needs a highly efficient, *rakyat*-oriented civil service. As such, Malaysians would benefit greatly from a civil service comprising the best and most diverse talents, free from political and

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<sup>4</sup> Judicial Appointments Commission, *Functions and Powers of The Commission*, 2017, [http://www.jac.gov.my/index.php?option=com\\_content&view=article&id=469&Itemid=239&lang=en](http://www.jac.gov.my/index.php?option=com_content&view=article&id=469&Itemid=239&lang=en).

personal patronage. Civil servants must remain true to the core values of impartiality, integrity, and honesty; hence, their purpose cannot be rooted in personal financial gains, either for themselves or for politicians.

- 6.2 To that end, we require policies that will attract the brightest minds of the younger generation from various walks of life. To retain these talents and to combat corruption, more attractive and competitive salaries must be made available for executive-class civil servants. Appointments and promotions must be insulated from any undue political influence.
- 6.3 In transforming the civil service, younger executive-level civil servants—around the age of 45 years—should be promoted to the most senior leadership positions. This policy will create a new generation of more dynamic officers equipped with new ideas consistent with the global advances in knowledge.
- 6.4 At the top of the hierarchy, the Director-General of the Public Service Department (*Jabatan Perkhidmatan Awam*, abbrev. JPA) is to be nominated by the Public Services Commission (*Suruhanjaya Perkhidmatan Awam*, abbrev. SPA), selected via a parliamentary selection process, then recommended to the Yang di-Pertuan Agong for appointment. This parliamentary selection process will also apply to key civil servants such as the Attorney- and Auditor-Generals, the Central Bank Governor, the MACC Chief Commissioner, the Inspector-General of Police, and the SPA Chairman.
- 6.5 All key and senior civil servants and their immediate family members must declare their assets, and these declarations will be made public for all to see.
- 6.6 On the relationship between the civil service and the Prime Minister, the Director-General of the JPA must establish an extremely professional working relationship with the Prime Minister. As with our proposed reforms to the executive, this works to counterbalance the powers of the Prime Minister. It is thus important that the Director-General of the JPA be appointed through a parliamentary selection process.
- 6.7 With regards to Sabah and Sarawak, we propose creating a separate Public

Services Commission for these states. The majority of the Commission and its Chairman shall comprise Sabahans and Sarawakians. They will be allowed to prioritise the hiring of local Sabahans and Sarawakians to the civil service based on merits. In other words, if there are two equally capable candidates, one from the Peninsular and one from East Malaysia, the Commission is free to prioritise the latter.

- 6.8 Comprehensive and institutional transformation of the civil service should not merely focus on reducing the number of civil servants, but will emphasise improving the quality of civil servants. With proper training and upskilling of civil servants, salaries will increase with better professional performance. However, in return for better pay and skills, the termination of personnel due to non-performance, or to any whiff of corruption or abuse of power, will be made without hesitation.
- 6.9 Any knee-jerk attempt to reduce the size of the civil service is unwise as the majority of civil servants have very high household debt levels. Sudden widespread retrenchment would only cause a collapse in consumption and drive low-ranking civil servants into poverty. Therefore, the key is to first focus on generating economic growth in the private sector. When the economy becomes more robust, we believe that the civil service will then have opportunities to transition from the public sector into the private sector.
- 6.10 In addition, we propose policies to pursue management buyouts of non-strategic government-linked companies (GLCs). These will create direct opportunities for civil servants to transition to the private sector.
- 6.11 Ultimately, we believe that streamlining the civil service can only be done on a voluntary and incentivised basis. We estimate a 10-year transition horizon to create a capable civil service to a ratio of one civil servant to 25 citizens, down from the current ratio of one civil servant to 19.37 Malaysians.<sup>5</sup>
- 6.12 To seriously combat corruption, we will need the buy-in and full

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<sup>5</sup> Andrew Lo, 'Bloated civil service', *The Star Online*, 3 February 2017, <http://www.thestar.com.my/metro/views/2017/02/03/bloated-civil-service-high-amount-of-taxpayers-money-is-used-to-pay-salaries-and-pensions-of-govt-st/>.

cooperation of the civil service. We propose starting with an amnesty for minor corruption, and thereafter immediately embarking on a zero-tolerance corruption policy. Civil servants found to be living obscenely beyond their means will be terminated and charged. Civil servants will be required to advise ministers to not bend rules, rather than on how to circumvent them. Any civil servant who wishes to report the wrongful conduct of a minister may do so to a fully-independent MACC or to any MP, and full whistle-blower protection will be granted.

## **7.0 The federal system: Redress the federal–state relationship**

- 7.1 We propose a Royal Commission to review, study, and recommend a reformation of the federal system of government in Malaysia. This section outlines several of our own recommendations.
- 7.2 On economic wealth, the fiscal-sharing model between federal and state governments must afford greater revenue to the latter. Of the revenue generated by the state, 20% should be returned directly to the state government. This means that each state government will be entitled to retain 20% of all personal and corporate income tax generated from its state's economy.
- 7.3 Redistribution of wealth to state governments must focus on allowing the poorest states to carry out more rapid development to catch up with the rest. Focus must be given to five of the poorest states in order to raise living standards and encourage development.
- 7.4 As a rule of thumb, we propose allocating 50% of the federal discretionary budget to the "poorest" states, defined by way of median monthly salary, irrespective of the political party ruling the state. Thus, development spending in the federal budget should prioritise the states of Sabah, Kelantan, Sarawak, Kedah, and Terengganu.<sup>6</sup> Consequently, already-developed states such as Selangor, Johor, Negeri Sembilan, Penang, and

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<sup>6</sup> Department of Statistics Malaysia, *Salaries & Wages Survey Report, Malaysia 2016*, Cat. No. Y-2-0021-2016, 5 May 2017, <https://newss.statistics.gov.my>.

Melaka will receive lesser developmental spending. This catch-up policy will be in effect until the percentage difference in median monthly salary between the such-defined “poorest” and “richest” states<sup>7</sup> is no greater than 50%;<sup>8</sup> thereafter, all developmental spending will be normalised to a more even needs-based principle, factoring in population size and overall contribution to federal revenue.

- 7.5 On political power, we must pursue the decentralisation of non-essential national security matters. It is thus crucial to gradually empower the state governments with greater decision-making powers. The idea is to enable greater, more inclusive participation of the people in the national democratic system.
- 7.6 State governments should continue to wield powers over land, religious, and local government issues. A study should be carried out to determine what further ancillary powers can be devolved to state governments. More emphasis must also be given to Sabah and Sarawak on the 1963 Malaysia Agreement to ensure its just and rightful execution.
- 7.7 Ultimately, state governments themselves must improve their own governance and fiscal positions. While we support assigning greater responsibility to them, state governments will be required to demonstrate financial prudence and accountability. For example, should the state governments of Sabah and Sarawak demonstrate improvements in good economic and political governance within, they will be granted greater autonomy.

## 8.0 The *rakyat*: Empower through human rights

- 8.1 We believe that our proposed constitutional reforms will facilitate a better, cleaner political system. Nonetheless, we wish to also empower

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<sup>7</sup> Denote the median monthly salary of the “poorest” and “richest” states by  $s_{\min}$  and  $s_{\max}$  respectively. The percentage difference is given by  $\frac{s_{\max}-s_{\min}}{s_{\min}} \times 100\%$ .

<sup>8</sup> Based on data from the Department of Statistics Malaysia on the median monthly salaries and wages of employees by state in 2016, Sabah has the lowest median monthly salary at RM1,240. Among states (i.e. excluding the Federal Territories of Putrajaya and Kuala Lumpur, which boast the highest and second-highest median monthly salaries respectively), Selangor came in top with RM2,362. This marks a percentage difference of 90% between the median monthly salaries of Sabah and Selangor.

Malaysians to play a larger role in the country's democratic process. We believe that a free press will motivate the *rakyat's* political engagement, thereby reducing political apathy. To this end, we must allow and encourage press freedom whilst regulating against hate speech.

- 8.2 In this endeavour, the government must deregulate printing press licenses, make parliamentary debates live on television, and carry out Constitution-literacy programmes. A complete overhaul of whistle-blower laws would enable the public should to choose to directly disclose crimes to the press.
- 8.3 We propose enacting a Freedom of Information Act that dictates, among other things, that the limitation for state secrets shall not exceed 20 years for government papers and 30 years for documents relating to national security. Classification of secrets must no longer be dictated by the executive. What is deemed "secret" must be subjected to parliamentary oversight and be open to judicial review according to the principle of natural justice.
- 8.4 We support the incorporation of civic classes within the school curriculum, with emphasis on anticorruption measures and good governance. This will produce a new generation of citizens cognizant of their rights and concepts of good governance.
- 8.5 Full human rights must be restored and a national human rights plan must be implemented. All draconian laws must be dismantled. Detentions without trial for terrorism offences should be recalibrated to adhere to international standards; this means limiting preventive detention to a maximum of 60 days.
- 8.6 The Human Rights Commission of Malaysia (*Suruhanjaya Hak Asasi Manusia Malaysia*, abbrev. SUHAKAM) must be granted larger financial support, and shall be tasked with publishing human rights impact studies for all ministries and major government projects.
- 8.7 On an international scale, Malaysia must ratify the United Nations (UN) Universal Declaration of Human Rights and the 1951 UN Convention and Protocol Relating to the Status of Refugees. The latter will include full

protection for refugees, and dovetails with efforts to develop greater national empathy such that Malaysians are more conscious of refugee and migrant worker issues. A national refugee and migrant worker centre should be established to ensure full legal protection for their welfare and livelihoods.

## **9.0 Political party finances: Revise funding**

- 9.1 Funding is a necessity to operate political parties in modern politics. Yet we recognise the need to reform political parties and their funding. Hence, the best solution is for the government to provide sufficient grants to political parties so as to minimise the need for political parties to seek donations.
- 9.2 Direct government funding of political parties, or party subsidies, should be based on the German model, whereby funding is awarded based on election results. We propose allocating RM5 for every vote a party receives in the latest election, with a minimum threshold of one seat won. The total annual pay-out would thus be proportional to voter turnout in the last general election. For instance, the total number of voters in the 13<sup>th</sup> General Election was 11.2 million; thus a political party garnering two million votes would receive RM10mil per year. Government spending will therefore be limited to RM56mil per year. In return for the funding, political parties will be subjected to full and thorough audits by the National Audit Department.
- 9.3 Reducing the need for politicians and political parties to seek donations will substantially curb money politics. On this matter of donations, a limit of RM20,000 must be imposed on any single donation. All donors are to be recorded for inspection, and all donations above RM10,000 need to be publicly disclosed. To avoid multiple donations, only donations from individual persons should be allowed. Corporations, GLCs, non-governmental organisations (NGOs), charities, and foreign entities must be prohibited from donating to political parties.
- 9.4 Lastly, the size of assets held by a political party must also be limited;



otherwise, there can never be a level playing field between political parties. The goal is to encourage citizens to vote based on political ideology, rather than on patronage and the financial wherewithal of political parties. As such, the maximum amount of assets owned by a single political party at any one time should be restricted to RM200mil.

## 10.0 Conclusion

- 10.1 Extractive and oppressive political institutions have, over time, squandered Malaysia's potential as a newly-independent, resource-rich country. Politically, Malaysia is an illiberal democracy, arguably tending towards a failed one. Economically, the government is knee-deep in debt, largely due to poor economic planning and corrupt practices. Socially, racial and religious tensions are deliberately played up for political gain. Malaysians are neither ignorant of nor unaffected by this dire situation—be it in political chats over *teh tarik*, struggling to make ends meet between stagnant wages and rising living costs, or emigrating to greener pastures abroad (or making it their children's ultimate goal).
- 10.2 Nonetheless, it is not too late to redeem this dire situation. Given that the current administration under Prime Minister Najib Razak has shown no political will for much-needed political reforms, we call for a change of government to steer our country to better paths ahead.
- 10.3 With enough political will, the political reforms proposed in this paper will yield not only political, but also economic and social dividends. To recap, we have detailed:
  - (a) Constitutional changes to reinforce the separation of powers between the executive, the legislative, and the judiciary. We outlined greater checks and limits on the executive's powers, alongside steps to strengthen parliamentary sovereignty and the legislative process, and to restore judicial independence.
  - (b) A review of appointment and administrative processes in the civil service, including: appointments and promotions that are free from

any undue political influence; selection of top public officials via a parliamentary selection process; encouraging private-sector growth and management buy-outs such that civil servants transition from the public sector, thereby finding the right size of the civil service; and a zero-tolerance corruption policy preceded by an amnesty for minor corruption.

- (c) A greater share of economic wealth and political autonomy for state governments, whereby: a Royal Commission is to study and recommend reforms to the federal system of government; state governments receive a return of 20% from their respective state-generated revenues; the poorest states are prioritised in allocating the federal developmental budget; rightfully executing the 1963 Malaysia Agreement; and state governments that demonstrate good governance are given ancillary powers as are appropriate.
- (d) Human rights promotion for the *rakyat* by way of legislation for a free press, a Freedom of Information Act, adequate whistle-blower protection, repealing draconian laws, granting greater resources and responsibility to SUHAKAM, and ratifying the UN Universal Declaration of Human Rights and the 1951 UN Convention and Protocol Relating to the Status of Refugees.
- (e) Cleaner political party finances through direct government grants to political parties, a cap of RM20,000 per donation obtained only from individual donors, and an asset limit of RM200mil owned by a party at any one time.

10.4 Implementing policies for political reform is but the first step—or giant leap—to save our country's future. We will set forth economic and social reforms in separate, forthcoming papers.

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