

Chapter VI

Our objective in this study has been to demonstrate the relevance of analyzing the United Malays National Organization (UMNO) through the concept of organizational evolutionary typology of political parties, with a view to explaining a series of opposing needs that every party must counterbalance. The way these needs in fact counterbalanced defines a central dimension of the party's organizational order. This order varies from party to party and depends on numerous factor, above all, as we have seen, the party's organizational history and the features of the environments in which it operates. In other words, there is neither an "iron law" of parties' organizational evolution nor of any other organizations. A number of outcomes are possible and thus a number of organizational orders. However, by using a preliminary general three-face model of organizational development developed by Angelo Panebianco through his empirical research in the field of political parties, we were able to use his model as interpretive tools pertaining to different disciplinary traditions, some of the basic factors explaining party politics. In addition, it is also possible to identify certain tendencies that appear to operate in many parties. Combining these tendencies, we were able to construct a model of UMNO's organizational evolution. In the course of this evolution, some organizational needs tend to grow in importance with respect to others.

In its genetic phase, we have seen how UMNO developed its official goal, that is, fighting for the "Malay cause" and the function of this official goal is that of maintaining the identity of the organization in the eyes of its supporters. As such, after the Malayan Union episode, UMNO designed programs for social progress and the arrangements for party consolidation as part of its bid for the leadership of the Malay community. In this it

competed with Malay groups which were at pains to point out that UMNO's aims and methods had either failed to advance the Malays or had threatened their customary way of life. On the one hand UMNO was criticized as retrogressive in its attitude to the British, to the Malay states and to the Malay society in particular. *Pusat Tenaga Rakyat* (PUTERA; Center for People's Power), for example, argued that the Anglo-Malay federal settlement failed to guarantee independence, create a Malayan nation or ensure the sovereignty of the people¹ while *Utusan Melayu* lamented the fate of the Malay peasants who had helped the Sultans and UMNO leaders in the campaign against the Malayan Union only to be excluded from any share in the spoils of victory.² In order to justify themselves in the eyes of their community, UMNO leaders strove to prove both the charges and promises of their rivals to be false. To match the nationalist aspirations of the radicals, Dato Onn played host to Sjahrir, Prime Minister of the Indonesian Republic, when the latter visited Singapore and Johore Bahru in April 1947. To counter the National Bank, the *Sekolah Rakyat* (people's school) and the *Barisan Tani* (peasants' front) of the Malay Nationalist Party (MNP) and its affiliates, the UMNO executive devised its own economic, educational and labor programs. At the same time UMNO took care to emphasize its concern for Islam. UMNO's department was among the first party offices to be established in 1946.³ However, during the immediate post-war period, political activity in the Malay states had no institutionalized means of expression or in other words, "politics was without power". Before elections provided effective avenues

¹ See A.J. Stockwell, British Policy and Malay Politics During the Malayan Union Experiment 1942-1948 (Kuala Lumpur: Malaysian Branch of the Royal Asiatic Society Monograph No: 8, 1979) p.125.

² *Utusan Melayu*, May 23 1948.

³ See A.J. Stockwell, British Policy and Malay Politics During the Malayan Union Experiment 1942-1948 p.125-127.

to power, political parties were, for all practical purposes, indistinguishable from pressure groups; in fact, most political parties were the offspring of the larger interest groups. With the introduction of elections as an institutionalized means of political expression and a vehicle for political power, no matter how slight that power may be - they provided the first opportunity for self-styled leaders to test their political support. UMNO's first president, Dato' Onn b Jaafar, realized the need for a political party operating in a plural society to build political support that extended beyond communal boundaries. Thus Onn who was a leading post-war spokesman on Malay nationalism began to act less and less like a spokesman for one ethnic community. He tried to persuade UMNO to expand its base support by opening its membership to non-Malays and by avoiding political stands that would likely antagonize most non-Malays. However, by adopting a non-communal approach to politics, Onn had belied UMNO's collective identity as the champion for the Malay cause *par excellence* and at the same time alienated the party's "hunting domain" i.e. the Malays. Hence the failure of his Independence of Malaya Party (IMP) to attract a sizeable following from the Malay community. The first opposing need that UMNO had to counterbalance was that of either maintaining its collective identity or ensuring its organizational survivability. This came about when UMNO had to face the IMP in the Kuala Lumpur Municipal elections in February of 1952. In order to frustrate the IMP, UMNO collaborated with another ethnic base political party the Malayan (later Malaysian) Chinese Association (MCA). By adopting a "multi-communal" instead of a "non-communal" approach to politics, UMNO was able to preserve its identity in the eyes of its supporters and at the same time, developed a sound basis for communal cooperation that was vital for its political survival.

UMNO's passage to institutionalization was by no means plain sailing. This entails a process of "substitution of ends" as well as certain domination activities vis-à-vis the environment. The relation between the party's official aims and behavior never completely disappears; it attenuates. For that reason, its leaders constantly reaffirm the correspondence of the party's behavior to its official aims though in practice, UMNO had to make considerable concessions to non-Malays. This was particularly so when UMNO leaders realized that independence would only be granted if the various races in the country could prove that they could work together. And to this end, UMNO formed an Alliance with the other ethnic base parties, namely the MCA and MIC.

In the post-independent period, UMNO faced an unprecedented challenge from the opposition parties both from the Malay and non-Malay communities. During the elections of 1959 and 1964, the Alliance had achieved landslide victories. Therefore, the results of the 1969 general election in Malaysia came as a surprise to many. Since the 1964 elections, the non-Malay communities were becoming restive and more willing to fight for the interests of their communities. The Malays, on the other hand, had begun to show their disenchantment with UMNO and an increasing preference for the Pan-Malayan Islamic Party (PMIP). While the non-Malays were calling for greater political rights, Malay fears of Chinese political and economic domination prompted them to demand greater protection from the status quo. A central weakness of the state in the 1960s was its economic dependency on international capital in the primary sector, which nevertheless produced healthy growth figures. A laissez-faire policy exacerbated the pattern of colonial uneven development, which nurtured the view that Chinese capital was responsible for denying the emergence of Malay capital. This prompted certain

sections of the Malay community to make demands on the state to ensure economic parity on a communal basis. Face with a possible backlash of support from its power base, UMNO had to adopt domination strategy to ensure its continued dominance. In the post 1969 period, it could arguably be said the political hegemony of the Malay community in Malaysia is uncontestable. This translated into the formalization of “Malay Special Rights”. Though these provisions were established in the Constitution, it was given greater legitimacy after the 1969 racial riots.⁴ Hence, part of UMNO’s post-1969 strategy of domination involves enhancing the party’s image as the champion of the Malays through positive discrimination policies in favor of the *Bumiputeras* - the New Economic Policy (NEP)

In the third phase of its organizational development, UMNO’s hegemony has led to an unfortunate, perhaps inevitable by-product of organizational maturity, that is, the eruption of serious internal differences within the dominant party in 1987. This corresponds to a parallel modification in the incentive system that accompanies this transformation – from primary collective identity to material-selective incentives in the form of regular remunerations (patronage). For the first time in its organizational history, the triennial UMNO elections in April 1987 saw the top leadership barely survive a strong challenge. In 1987 the government had been plagued by the continued effects of recession and this affected the equilibrium of UMNO’s perks structure. The recession, which reached its lowest point in 1985 coincided with a wave of rising expectations encouraged by the promise of the NEP. Politically, it produced frustration, engendering greater competition for the limited political rewards available, and later contributed to a

⁴ See H.P. Lee, Constitutional Conflict in Contemporary Malaysia (Kuala Lumpur: Oxford University Press, 1995) pp.13-15.

split in UMNO. As such Team B supporters (led by Tengku Razaleigh and Musa Hitam) accused the party leadership (led by Dr. Mahathir and Ghafar Baba) of blatant abuse of power, an authoritarian leadership style, economic mismanagement – especially loss making mega projects and patronage and corruption that were reducing incentives for Malays to acquire sound business skills.⁵ Thus at its maturity phase, UMNO was faced with a central dilemma in its organizational development, that is, how to balance the opposing need of maintaining the party's identity as a champion of the Malay cause and at the same time distribute its incentives be it manifest or hidden by its leaders. This dissimulation is of utmost importance, because excessively visible selective incentives would weaken the credibility of the party as an organization dedicated to a "cause," and therefore adversely affect its distribution of collective incentives.

An analysis of UMNO's organizational structure reveals it to be a highly centralized party. This was more pronounced after Dr. Mahathir's victory at the 1987 general assembly and it appears to result from the "iron law of oligarchy". Nevertheless, this study opens up more questions than answers. Could UMNO's official goal of championing the Malay interests be classified as an ideology? Since the party has succeeded in creating the Malay "middle-class", will there be a major paradigm shift in that the party has to re-adjust its identity in order to be seen as still relevant to its "hunting domain" i.e. the Malay community? What are the expectations of this Malay middle-class vis-à-vis UMNO? Should UMNO change its *modus operandi* in order to attract the younger Malay generations especially university students? As such this study invites the intervention of specialists in other disciplines such as Malay studies,

⁵ See Diane K. Mauzy, "Malaysia in 1987: Decline of The Malay Way" *Asian Survey*, Vol. XXVIII, No.2, February 1988.

Philosophy, Sociology, Political Thought and Political Economy. My hope is that this study would invite further discussions on organizational development of political parties in Malaysia especially those parties that are in the opposition such as PAS. This would provide an excellent comparative study as it allows us to compare the evolutionary development of two parties that defines the same community as its “hunting domain”- one being a governmental party and the other oppositional party.