

SOCIALIST PERSPECTIVES 8



Parti Sosialis Malaysia



Socialist Perspectives

8

Parsosma Enterprise

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Foreword

Dear Reader,

IT has been nine months since we penned the foreword for *Socialist Perspectives* 7. A very eventful nine months indeed!

On the domestic front, Malaysians who were hoping for regime change in the next general election were dismayed by the break-up of Pakatan Rakyat. PAS then fissioned and a new party, Parti Amanah Negara, emerged. This new party has been invited into a new opposition coalition with DAP and PKR, leaving PAS fuming and threatening to create three-cornered contests in all constituencies.

Things are only slightly better in the ruling coalition! There has been a mini-coup within the ruling party. The Deputy Prime Minister, another Minister and now a Menteri Besar have been removed from office for daring to raise questions regarding the 1MDB fiasco. The Attorney-General was replaced on short notice and several senior anti-corruption officers were reprimanded and transferred. The Prime Minister's credibility is at an all-time low, but he has surprised many observers by managing to cling on to power.

In the meantime the ordinary citizens are buffeted by economic hardships. The cost of living has gone up by about 17% compared to a year ago due to the GST, the declining value of the ringgit and profiteering by businessmen. Underemployment remains high for the bottom 40% of families, though this reality is not acknowledged by the government, which has gone on to sign the Trans-Pacific Partnership (TPP) agreement despite widespread objections from various parties.

But there are also hopeful developments. There are indications that citizens in advanced capitalist countries are beginning to question neoliberal capitalism. The Greek referendum regarding austerity, the unexpected ascension of Jeremy Corbyn to the leadership of the UK Labour Party, the electoral gains of Podemos in Spain and the surprisingly strong showing by Bernie Sanders in the US presidential race all indicate that the sentiments expressed in the "Occupy" movements have not dissipated. People are getting disillusioned with capitalism, but the transition from a neoliberal programme of austerity and unemployment to a more equitable society will be complicated in a globalized economy which has conceded too many privileges to the richest 1%.

This, then, is the complex situation that Parti Sosialis Malaysia (PSM) has to operate within. The articles included in this edition of *Socialist Perspectives* give "snapshot" views of several of the initiatives, analyses and involvements of PSM over these past nine months. We hope you will find them interesting. If you wish to respond to any of the issues raised in this journal, please write to us at pusat@partisosialis.org or 22A, Jalan Vivekananda, Brickfields, 50470 Kuala Lumpur.

Happy reading!

The Editors
February 2016

The TPP is a big step in the wrong direction

D. Jeyakumar

JUST last week, *The Star* reported Oxfam's finding that "runaway inequality has created a world where 62 people own as much wealth as the poorest half of the world's population – a figure that has fallen from 388 just five years ago" (*The Star*, 19 January 2016).

This over-concentration of wealth in the hands of the world's richest is the main cause of sluggish aggregate demand that is bedeviling the world economy, resulting in persistent recessionary tendencies and high levels of unemployment. The high level of indebtedness of the bottom 90% of the world's population is the reason why all the "quantitative easing" carried out by the US, Japan and other countries has not really spurred growth in the real economy but has only led to stock market rallies and increased speculation in real estate.

What the world needs is a fairer distribution of wealth. The percentage going to the top 1% has to be reduced, with wealth redirected to the pockets of the bottom 50% of the population. This could take the form of:

- higher minimum wages for the world's poor;
- the closure of tax havens



The TPP was approved by the Malaysian Parliament on 27 January 2016.

so that the world's richest can't avoid taxes by hiding their wealth in offshore accounts;

- legislation to limit transfer pricing that enables the 1% to repatriate their profits to tax havens;
- a better social safety net funded by this increase in taxes on the richest 1%.

These measures will not only help redistribute world income in a fairer manner, but also boost aggregate demand and create opportunities for businesses and jobs for younger people all over the world. It would truly be a win-win situation.

The Trans-Pacific Partnership (TPP) agreement is going to do exactly the opposite. For the TPP is nothing but a corporate wishlist. The TPP gives big capital massive new "rights":

- the right to invest in the 12 TPP member countries

without any restriction, without requirements regarding technology transfer, local content, etc (Article 9.4, 9.9, 9.10);

- the right to repatriate its profits as it wishes (Article 9.8)
- much stronger intellectual property protection, which will lengthen the period when big capital will enjoy a monopoly (Article 18.37, 18.50, 18.52, 18.77);
- the right to tender for government contracts;
- the outlawing of any form of government assistance to state-owned enterprises;
- the right to use "investor-state dispute settlement" (ISDS) provisions to sue any government that does anything that will affect the bottomline of the foreign investor.

The TPP strengthens the hand of the biggest corporations and will lead to further concentration of wealth in the richest 1%. This is precisely the opposite of what the world needs at this point in time. – *Press statement in Parliament, 27 January 2016*

D. Jeyakumar is PSM Member of Parliament for Sg Siput.

TPP: Ministerial misinformation

INTERNATIONAL Trade and Industry Minister Mustapa Mohamed tabled the Trans-Pacific Partnership (TPP) agreement in Parliament on 26 January 2016. **TPPDebate.org**, a website monitoring the TPP, came out with a point-by-point rebuttal to Mustapa's speech. Excerpts from this rebuttal are reproduced below.

What Mustapa said:

Mustapa said Malaysia decided to join the TPP as the nation did not have any free trade agreement (FTA) with the United States, Canada, Mexico and Peru. He said that the TPP would pave the way for local companies to penetrate the huge US market, as import tariffs to the US would be reduced under the TPP.

TPPDebate.org: All the 12 TPP countries are members of the World Trade Organization (WTO). WTO members are not allowed to raise their tariffs above the level that they are at now. So even if Malaysia doesn't sign the TPP, the US cannot raise the existing import tariffs for Malaysian goods. According to Sanya Reid Smith from the Third World Network, the average tariff rate is just 3%



International Trade and Industry Minister Mustapa Mohamed.

for the US and 6% for Canada. They are pretty low already, so there is not much difference going to 0% in the TPP.

What Mustapa said:

The import tax on textile products will be reduced by 70% and it will give a 30% boost to exports of Malaysian textiles.

TPPDebate.org: The textile industry in Malaysia will not benefit that much because of the "yarn forward rule" which requires textile industries in TPP countries to buy yarn from within the 12 TPP countries to qualify for the reduced import tariff. The only country within the TPP with

economies of scale big enough to provide yarn is the US. However, US yarn is more expensive than the Chinese yarn which is currently being sourced by Malaysian factories. As such, the end price in the US of the zero-tariff Malaysian textiles is likely to be higher than the taxed products from competing non-TPP countries such as China, leading to Malaysia actually losing textile market share in the US.

What Mustapa said: He said the obligations on labour under the TPP will augment the right of workers to form workers unions, negotiate collective

agreements and increase the minimum wage, safety and health aspects.

TPPDebate.org: Malaysian and US trade unions, citizens and human rights groups cannot sue the Malaysian government for non-compliance with these labour obligations. According to the TPP, only the US government has the right to demand compliance. If the US government chooses not to sue, there is nothing we can do to enforce it. According to Sanya Reid Smith, the US government seldom sues over these labour rights. In any case, we can make these changes to our labour legislation without having to join the TPP.

What Mustapa said: Malaysia could exit the TPP at any time without having to pay any penalty as stipulated in Chapter 30 of the proposed agreement. We just need to give six months' notice.

TPPDebate.org: There is a high chance that foreign firms investing when the TPP is in force will sue Malaysia if and when we exit the TPP. They can make use of the eight other FTAs that Malaysia has entered into to initiate investor-state dispute settlement (ISDS) proceedings (just as Philip Morris, an American company, set up a Hong Kong subsidiary so that it could initiate an ISDS action against the Australian government over plain packaging. At that time there was no FTA between the US and Australia.).

What Mustapa said: “We [federal government] want the country to be more progressive, but I am worried that the



An anti-TPP protest.

country will slip should it take the path of anti-foreign investment and anti-trade [by rejecting the trade pact].”

TPPDebate.org: Malaysia did not sign the Malaysia-US FTA in 2007 because the cabinet decided it was not in Malaysia's national interest. What happened after that? Nothing happened. Malaysia kept exporting as it has until today, and kept getting foreign direct investment. Not signing on to the TPP will not suddenly make Malaysia become North Korea. Malaysia is already a member of the WTO and will continue doing business as it is doing today.

What Mustapa said: ISDS would also protect Malaysian investors overseas.

TPPDebate.org: This is an extremely asymmetrical concession. How many Malaysian companies are investing

abroad? You have Petronas, Sime Darby and Khazanah Nasional. Which others? How many US companies are operating in Malaysia? Is there space in this page to list all of them down?

In addition, Malaysian investors can already expect to have a fair trial in domestic courts in the developed-country members of the TPP, namely the US, Canada, Australia, New Zealand, Japan and Singapore. Of the other TPP members, Brunei and Vietnam are in ASEAN, so investors already have extra protection under the ASEAN free trade agreement. Malaysia already has a treaty with Chile which protects Malaysian investors in Chile. That leaves Mexico and Peru. Is it worth all the trouble of ISDS just to have Malaysian investors protected in Mexico and Peru? How much investment

from Malaysia will there be in Mexico and Peru? How does it compare with the amount of US investment in Malaysia?

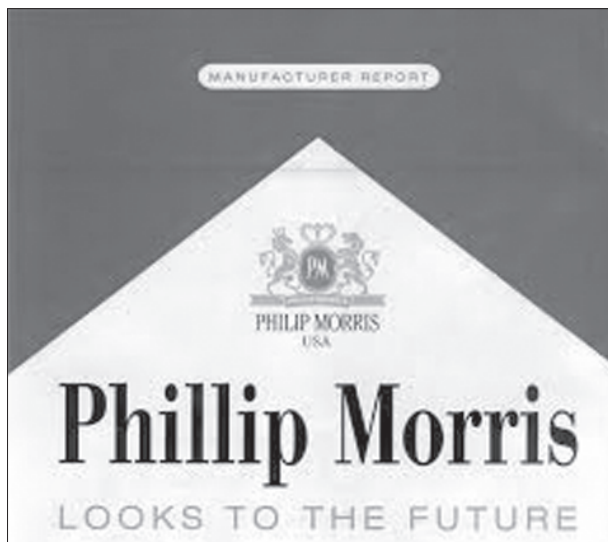
What Mustapa said: ISDS is not new to Malaysia. Until today, we have signed 74 bilateral trade agreements and eight free trade agreements that contain ISDS provisions.

TPPDebate.org: Yes, but none of those FTAs are with the United States. And the obligations under the TPP under are much higher compared to the existing FTAs that Malaysia has agreed to.

When you look at statistics from ISDS cases, American investors are among the most litigious in the world. According to Sanya Reid Smith, American companies sue twice as often as the next most litigious country's investors. And when they sue, they have a 98% chance of a broad interpretation of their rights. So when they sue, you are almost always going to lose.

What Mustapa said: ISDS does not restrict the government's right to supervise matters related to public health, safety and the environment.

TPPDebate.org: This "carve-out" may be undermined by the "Most Favoured Nation" (MFN) clause in the TPP's investment chapter. This clause says that if Malaysia grants any additional rights to investors from any other coun-



Cigarette giants like Philip Morris could challenge Malaysia's tobacco control measures under the TPP.

try, these rights should also be enjoyed by US and other TPP investors as well. The existing FTAs that Malaysia is in do not have this carve-out clause regarding health and the environment.

In any case, ISDS tribunals tend to interpret the obligation to provide "fair and equitable" treatment for investors very liberally. In practice, any change in laws and/or regulations that reduces the profits of the foreign investors is considered unfair and inequitable.

About 63% of the ISDS claims against Canada (under its North American Free Trade Agreement with the US and Mexico) involved challenges to environmental protection or resource management programmes that allegedly interfered with the profits of foreign investors. The government has lost some of these environmental challenges and has been forced to overturn legislation protecting the environment. If this can happen to Canada, why

will it not happen in Malaysia?

What Mustapa said: Malaysia's sovereignty will not be compromised.

TPPDebate.org: In 2007, Italian investors sued South Africa in relation to its Black Economic Empowerment Act that aims to redress some of the injustices of the apartheid regime. As a consequence, the South African government has moved to terminate

its investment treaties that include ISDS because its review found that they "pose risks and limitations on the ability of the government to pursue its constitutional-based transformation agenda" and "growing risks to policymaking in the public interest".

What Mustapa said: Malaysia would also lose out on business and investment opportunities if the country chooses to opt out of the TPP.

TPPDebate.org: Brazil has no investment treaty in force, and yet it is the 5th largest recipient of foreign direct investment in the world. This is because foreign investment comes if you have a big population, so companies can sell their products; if you have natural resources, such as oil, gas, minerals; and/or you have human capital, people who can work in the factories. These are the main reasons for getting foreign investment. It's not whether you sign this treaty or not.

The sugar coating on a bitter pill

A. Sivarajan

THERE has been some confusion among trade unionists on whether to support the Trans-Pacific Partnership (TPP) agreement, in view of its Chapter 19 on Labour and the agreed side-letters on the US-Malaysia Labour Consistency Plan.

For trade unionists, most of the provisions in the labour chapter and especially the side-letter between Minister of International Trade and Industry Mustapa Mohamed and US Trade Representative Michael Froman are long overdue and should be welcomed with open arms, as finally the Malaysian government is being forced to comply with many of the demands that unions have been making all these years.

We cannot deny that the US has just “made an offer we cannot refuse” to Malaysian workers through the TPP, as it would greatly uplift their and migrant workers’ rights, which have been trampled upon all these years. Among the savoury items in the agreement are:

- Amending all the necessary laws to ensure full implementation of the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and its Follow-up, as adopted by the International Labour Con-

ference in Geneva on 18 June 1998

- Ensuring trade unions have the right to judicial review against administrative decisions regarding trade union registration, suspension, cancellation and determinations of strike illegality
- Removal of discretionary powers of the Director General of Trade Unions on issues of union registration
- Removal of the limitation on forming unions in the same trade sector
- Better regulations with regard to outsourcing and employment agencies
- Ensuring that employers cannot hold the passports of foreign workers
- Specifying that levy is the responsibility of the employer and cannot be deducted from the worker
- Special passes by the Labour Department for workers involved in industrial disputes, enabling them to remain in the country and seek alternative employment until their case is settled.

In terms of enforceability, Malaysia is required to enact all the above legal and institutional reforms prior to the date of entry into force of the TPP.

Malaysia can comply with ILO standards on its own without the TPP

It is rather ironic that the Malaysian government’s political will to enhance the rights of our workers has to be “whipped” into us by the US through a trade agreement. The Malaysian government has for decades turned a deaf ear to various petitions, protests and complaints by workers, political parties and unions demanding the above same rights.

Malaysia has ratified a total of 17 ILO Conventions involving forced labour, the right to organise and collective bargaining and equal remuneration, among others. All of these have been ratified and enforced even before the TPP. So what is stopping us from further amending our labour laws, enhancing and enforcing them effectively?

The TPP’s 30 chapters – it’s all or none!

Now the question is: should we support the government’s decision to sign the TPP? If Malaysia had the option to sign only the labour chapter, I believe most workers and unions would welcome it. But unfortunately, that is not the case. The TPP consists of

30 chapters on topics ranging from investment and market access to rules of origin, intellectual property, state-owned enterprises, government procurement and many more.

The labour chapter is the sugar coating on the bitter medicine that we are about to swallow! Various analyses and articles by local and international experts have researched and set out the negative implications of the TPP.

Implications for workers of other chapters

While workers' rights may be enhanced via the labour chapter, workers will suffer the adverse effects of other chapters, including loss of their right to decent affordable healthcare (due to delayed entry of generic medicines and the maintenance of high medicine prices), increased cost of education (because of tighter copyright laws) and many other indirect implications.

How will our local small and medium-sized enterprises (SMEs) be affected by the elimination of tariffs on imported products and by the mandatory "national treatment" accorded to foreign investors under the TPP? The President of the SME Business Association, Michael Kang Hua Kuong, was quoted in *The Star* on 23 November 2015 as saying that nearly 30% of the 650,000 registered SMEs in Malaysia will be out of business within two years of signing



Malaysia does not need to join the TPP in order to implement the ILO's core labour standards.

ing the TPP. As 80% of our workers are employed in SMEs, we might see an increase in unemployment.

Some might think that there will be an increase in employment resulting from the expected increase in trade and exports, but the experiences of Africa, Latin America and Korea have shown otherwise.

A report from the Economic Policy Institute (USA) titled "No Jobs from Trade Pacts: The Trans-Pacific Partnership Could Be Much Worse than the Over-Hyped Korea Deal" (by Robert E. Scott, 18 July 2013) finds the following with regard to other much-touted trade agreements:

- "The tendency to distort trade model results was evident in the Obama administration's insistence that increasing exports under [the Korea-US Free Trade Agreement (KORUS)] would support 70,000 US jobs. The administration neglected to consider jobs lost from the increasing imports and a growing bilateral trade deficit. In the year after KORUS took effect, the US trade deficit with South Korea increased by \$5.8 billion, costing more than 40,000 US jobs.

Most of the 40,000 jobs lost were good jobs in manufacturing."

- "There was also a big gap between predictions and outcomes for the North American Free Trade Agreement enacted in 1994: NAFTA was supposed to create 200,000 new jobs through increased exports to Mexico but, by 2010,

growing trade deficits with Mexico had eliminated 682,900 US jobs, with job losses in every US state and congressional district."

Unfortunately, our Ministry of Human Resources has not done a thorough analysis on which industrial sectors will see a net increase in employment and which others will suffer due to direct competition. After all, in order to benefit from the labour chapter of the TPP, you will need to have a job in the first place! What is the use if the TPP has caused you to get laid off?

Thus, PSM cautions all those in favour of the TPP labour chapter to not lose sight of the bigger picture – the main intent of the TPP is to promote the corporate agenda and to enhance investor rights in the region. In the medium term (5-20 years) it will be the common working people who will lose out if Malaysia signs the agreement. At the end of the day, even if we stand to benefit from the individual labour chapter, we have to analyze the net benefit of the agreement in total. – 27 November 2015

A. Sivarajan is PSM Secretary-General.

Contractualization and promotion of Bumiputra entrepreneurs

Rani Rasiah

WORKERS in many parts of the world are faced with a massive shift in their terms of employment, moving from more secure to informal, unpredictable jobs. This is the bitter gift of anti-worker neoliberal policies that seek to increase profits for business by cutting income and safeguards for workers. Despite the devastating effects of deregulation on workers (and the environment) everywhere, the Malaysian government has clambered aboard, fighting to be top of the investor-friendly list.

In line with this, a large number of jobs, even those that defy the notion of contract, have been relegated to contract status. Out of the desire to augment profits, contract jobs are crafted out of any kind of work.

The Malaysian government itself is the indirect employer of a huge number of contract workers, who have taken over certain categories of jobs once done by civil servants. Like other contract workers everywhere, those in government departments take home less pay, have no allowances or other benefits, and endure worse conditions than their non-contract counterparts. But their situation is made even more precarious because of government policy in the award of contracts. The creation of



Protest against insecurity of tenure and reductions in social security for contract workers in government schools.

business opportunities in the name of a skewed affirmative action policy, buying or rewarding political allegiance, and nepotism, all have led to the awarding of contracts based not on open tender but on political cronyism. This has resulted in the awarding of contracts to many incompetent, financially unstable individuals whose only “qualification” is their membership in the right political organization. The plight of workers hired by such contractors is pitiful.

This is evidenced by the struggles of several groups of contract workers for the fulfilment of terms specified in their agreement, as well as by the findings of a survey conducted in a number of states, of contract cleaners and security guards at schools and state education departments under the Education Ministry.

Even though cleaning and security services are

needed every day in Education Ministry premises, the government has abused the meaning of contract work by making workers sign three-yearly contracts with contractors. So there are contract workers who have worked more than 10 years, re-applying afresh after the expiry of each term. A cleaner may have worked for 12 consecutive years but will receive the same pay as a new worker, as there are no yearly increments for contract workers. Workers under the contract system have difficulty obtaining loans to buy houses, or even if they succeed, cannot be certain of making monthly payments, given the temporary nature of their contracts.

There are over 10,000 government schools in the country. On average, each school would employ about seven contract cleaners and security guards. While in many of these schools, there must be

decent contractors who comply with the contracts, it is rather revealing that more than half of workers surveyed on a non-random basis were being further squeezed by their contractors:

- A number of contractors do not comply with the minimum wage act, and still pay less than RM900. In addition, some contractors are notorious for late payment of wages, with one school surveyed showing a four-month delay! Many contract workers also have not been paid the minimum wage arrears for 2013 and 2014.

- Many contractors fail to make EPF and SOCSO contributions, with some making deductions from workers' wages and pocketing the money. Contractors contravene the Employment Act in many other ways, such as denying annual leave, underpaying overtime work, not issuing pay slips etc. These flagrant violations take place under the watch of school principals and senior officials of state education departments.

So workers who are doomed by the contract system to insecure, low-income employment are further exploited by unscrupulous contractors.

The Education Ministry's response to this problem is unbelievable. Its position is that the agreements are between the workers and the contractors, and thus it cannot be held accountable. The standard advice is for workers to file complaints at the labour office, which can be a difficult and thankless task. It is abhorrent that the government, which is the culprit behind this exploitation of work-



150 workers at Hospital Ulu Kinta were re-employed as new workers by the new contractor.

ers, chooses to absolve itself by hiding behind technicalities.

Many workers fear making complaints at the labour office while still working, for fear of victimization, which is a very real threat. Apart from that, the experience of workers who have taken the risk shows that the labour office route can be a waste of time and effort. In one instance, the security guards of a particular school won their case for unpaid arrears at the labour court, but the contractor refused to pay. The next step was for them to go to the Magistrate's Court to get an order for the contractor to pay. It meant more costs and more time off work, and only another paper victory was certain. In other instances, workers who have filed complaints have been frustrated by frequent postponements because of bosses who are absent for labour department conciliation meetings and court proceedings.

EPF and SOCSO officials investigating complaints are often given the runaround by all kinds of deceitful tactics by contractors, such as giving wrong office addresses or blaming sub-contractors. What is obvious is that these contractors seem to enjoy a certain de-

gree of immunity, reinforced no doubt by the reappointment of contractors with a terrible reputation.

It is one of the lofty ideals of the 11th Malaysia Plan to elevate the bottom 40% of Malaysian households "towards a middle-class society", by doubling the mean household income from the current RM2,537 to RM5,270 in the next five years. If one of the government's strategies to achieve this is the contract system as implemented by the Education Ministry, realizing the goals of the 11th Malaysia Plan will remain just a dream.

In practice, by impoverishing a whole sector of workers by opting for the contract system, the government has contradicted itself on its avowed objectives of reducing poverty and fixing socio-economic disparity. This situation has been further compounded by its poor management of the contract system – appointing cronies who scrounge off low-paid workers, and then turning its back on workers' complaints. – 1 December 2015

Rani Rasiah is a PSM Central Committee member and the coordinator of the migrant workers' desk.

There's nothing 'normal' about losing one's livelihood, Mr. Minister!

A. Sivarajan

PARTI Sosialis Malaysia condemns the witless comment by the Human Resources Minister Richard Riot claiming that the retrenchment of about 10,000 workers in Malaysia during the first six months of this year is a normal situation in a stable and dynamic labour market. He further adds that based on the worker layoff trend for the past three years, 10,000 retrenched workers in the first six months is normal because a total of 21,375 workers were retrenched in 2012, 16,716 in 2013 and 14,248 in 2014.

The Minister seems to play dumb, affecting ignorance of the global economic downturn which has great implications for workers and the job market. The Malaysian Employers Federation has confirmed that due to the falling value of the ringgit, the cost of importing raw materials for production has increased tremendously, and many employers have decided to lay off workers to control escalating costs. The National Union for Bank Employees (NUBE) revealed that some 4,000 employees in the banking sector have been laid off since January 2015 and another 4,000 might

suffer the same fate.

In April 2015, the *Wall Street Journal* reported that due to the slump in global oil prices, the oil exploration and processing industry would witness up to 100,000 job cuts globally. Some 91,000 of these workers will be from the offshore oil rigs. Besides those directly working in the petroleum industry, the impact will also be experienced by all other downstream and supporting industries, thus the expected layoff figures could be much higher.

The national carrier Malaysia Airlines is already in the process of laying off around 6,000 employees under its restructuring plan. Recently Fairchild Electronics from the United States, which has operated in Malaysia since the 1970s, decided to close its operations in Bayan Lepas, Penang, and lay off over 1,000 workers. The JVC factory in Shah Alam too closed its operations a couple of weeks ago, pushing some 500 workers out.

The call by PSM and workers' unions to the government to launch the Workers Retrenchment Fund more than 10 years ago has fallen on deaf ears. The Human Resources

Ministry keeps dragging its feet even as thousands of workers are driven into the unemployment pool.

It has been reported by the Labour Department that in the 10-year period from 2003 to 2012, a total of 7,130 employers retrenched 222,986 workers! The amount of retrenchment benefits that is supposed to be paid as per the Employment Termination and Lay-off Benefits Regulation 1980 (ETLB) is RM1.67 billion, but only RM1.27 billion has been duly paid out by the respective employers. Employers have failed to pay the remaining RM397.45 million to the deserving retrenched workers in those 10 years.

Thus we can estimate that annually workers lose nearly RM40 million in unpaid dues as a result of companies winding up and declaring bankruptcy. According to Labour Department figures, an average of 31.4% of workers who are laid off fail to receive their due compensation from employers.

Malaysia's labour laws offer no significant protection to workers in terms of social protection. We only have a severance payment mechanism in

Worker	Daily wages	Years of service	Compensation under the ETLB
A	RM38/day	2 years	RM38 x 10 days x 2 yrs = RM760
B	RM55/day	3 years	RM55 x 15 days x 3 yrs = RM2,475
C	RM72/day	6 years	RM72 x 20 days x 6 yrs = RM8,640
D	RM98/day	10 years	RM98 x 20 days x 10 yrs = RM19,600

place for laid-off workers under the ETLB. As mentioned above, even under this regime, there are still 31.4% of workers who are denied this benefit. We need a fund urgently to ensure that such workers receive their due compensation from the fund immediately in the event that the employer absconds, winds up and declares bankruptcy.

Under the ETLB, a worker who has served for a period of two years or less will be paid 10 days' wages per year of service in the event of lay-off. If the worker has worked for 2-5 years, he/she will be paid 15 days' wages, and those who have worked for five years onwards are entitled to 20 days' wages per year of service (see table for examples).

As should be clear from the above figures, the amounts are insufficient to sustain their families unless and until the retrenched workers are able to get another job. As pointed out by the International Labour Organization (ILO)'s *World Social Protection Report 2014-15*: "Social protection is both a human right and sound economic policy. Social protection powerfully contributes to reducing poverty, exclusion, and inequality – while enhancing political stability and social cohesion. Social protection also

contributes to economic growth by supporting household income and thus domestic consumption; this is particularly important during this time of slow recovery and low global demand. Further, social protection enhances human capital and productivity, so it has become a critical policy for transformative national development. Social protection and specifically social protection floors are essential for recovery, inclusive development and social justice, and must be part of the post-2015 development agenda."

PSM calls on the Human Resources Minister to immediately implement a comprehensive social protection scheme for workers, under which they are supported by lump-sum or monthly payments in the event they are retrenched due to companies going bankrupt, cutting costs via restructuring or closing operations to relocate.

This special retrenchment fund, which can be initiated with a seed fund from the government and sustained via contributions by employers and workers, will assist any worker to cope with the impact of sudden income loss. Monthly payments to the workers can be made from this fund to ensure their households will not be marginalized by poverty. This

can enable workers' families to pay for their housing loan, children's education and other basic needs till the worker is retrained.

Besides ensuring the affected workers are not dragged into poverty, such a social protection scheme via the establishment of a retrenchment fund will enhance the recovery of the local economy by increasing domestic demand. With the monthly assistance payment from the fund, workers will have a sustained disposable income to spend on necessities. This will stabilize the effects of an economic crisis due to a drop in domestic aggregate demand.

As countries around the world undertake fiscal consolidation by cutting subsidies and reducing social spending and introduce regressive taxes, workers will be the ones to feel the brunt of such measures. The need for a social protection safety net for the working class is most vital now. Richard Riot has to wake up from his slumber and get to serious work.

Workers demand a comprehensive social protection plan and a retrenchment fund because there is nothing "normal" about losing one's livelihood, Mr. Minister. – Retrenchment Fund Now! – 27 July 2015

Shame on you, Hong Leong!

Rani Rasiah



THANKS to the Malaysian government's denial of the right of redress, the oppression and exploitation of migrant workers continues unabated. Among the latest predatory employers to take advantage of this situation is Hume Cemboard, a subsidiary of Malaysia-based conglomerate Hong Leong Group.

Barely four months after they began working, 33 Sri Lankan workers were summarily dismissed by the Kanthan, Perak-based Hume Cemboard management. Dismissal according to our labour laws may only be effected if justified after a process which involves warnings, show-cause and domestic inquiry. No such process was followed in this case, and the workers were sacked on the spot in mid-October 2015.

What is worse is what prompted the dismissal. The management had breached certain terms in the employment

contract from the start, and the workers finally decided to complain. The specific complaint was the non-payment of allowances such as the shift allowance (noon shift RM5/day, night shift RM10/day) as promised in the contract.

This seemingly harmless action however resulted in consequences that the workers were completely unprepared for: repatriation to Sri Lanka within a week! For, after dismissing them, the employer had, with the aid of the Immigration Department, cancelled the work permit (PLKS) and obtained the checkout memo, which is a non-negotiable "go home" directive. All done unilaterally with the aid of the Immigration Department and without the workers' presence.

Obviously the employer viewed the workers less as workers with rights and more like slaves. He could make fake

agreements, hold the workers' passports and fire them as he wished, and the workers were not supposed to complain.

Employers like Hume Cemboard are emboldened by the government's migrant worker policies and enforcement system which offer little opportunity for migrant workers to obtain justice. Though legally there is provision for it, in practice there is no right of redress available for migrant workers. If a worker has not been paid wages, has been beaten up by the employer or has been wrongfully sacked, he/she has every right under the law to seek justice. But legal provisions are cancelled out by official policies and practices.

The sudden change in circumstances for the Sri Lankan workers was no doubt nightmarish. How could they go back so soon, and empty-pocketed, after having left their

homeland with a large debt? But the prospect of staying on and working illegally without a work permit was also daunting. Sri Lankan High Commission officials chose not to rock the official boat, as remittances by their migrant workers are a high priority. They took the side of the management and told the workers to go home.



Many of them borrowed RM6,000 to pay for the chance to come to work in Malaysia.

The majority of the 33 workers have returned to Sri Lanka, but a minority seem to have slipped quietly into the vast pool of undocumented workers, joining the invisible workforce of 3 million whose economic contribution is accepted without question but whose status is held in deep disdain.

Migrant workers, who now form 30% of the Malaysian workforce, should be given

en better protection by the government and not left to the mercy of employers. A meaningful right-to-redress mechanism should be put in place to enable workers to have their grievances heard and acted upon in a just manner. Such a mechanism should have the following features:

a. Passports should at all times be held by the workers. This will enable the workers to liaise with or lodge complaints

at the police station, labour office or Immigration Department. This policy already exists but is widely breached, and needs to be enforced.

b. The dismissed worker must be enabled to seek redress at the labour department. This means there should be no cancellation of the work permit (PLKS) pending the outcome of the case. And no issuance of the checkout memo as well.

c. Upon filing a complaint at the labour department, the worker must be given the right to stay on and find alternative employment for the entire length of the case until a decision is made.

Such a mechanism is not an obstacle to decent employers, but it will grant migrant workers the basic human right of redress, and greatly improve the image of our government. – *Press statement, 25 October 2015*



Migrant workers should be given better protection and not left to the mercy of employers.

Rural poverty

D. Jeyakumar

THANK you Dato Speaker for this opportunity to debate the 2016 Budget.

I wish to respond to this Budget from the standpoint of the ordinary citizens of Sg Siput.

I carried out a small survey on the economic situation of the residents in the rural areas of Sg Siput two months ago and managed to collect data pertaining to 130 families. I found that 45% of these families had a monthly household income of less than RM1,200, and another 40% between RM1,200 and RM2,000. Only 15% of these families had monthly household incomes of more than RM2,000.

Tuan Speaker, RM1,200 isn't quite enough to meet all the expenses of a family with 2-3 children. Definitely not sufficient to send one's children for tuition. Even paying the bus fare to regular school and settling utility bills would be a problem. I would consider all the families earning less than RM1,200 poor.

That is why I was amazed to hear our Prime Minister declare during his Budget speech



Migrant workers are prepared to work at below the minimum wage.

that we had practically eradicated poverty in Malaysia. The Member from Pekan claimed that our poverty rate in 2014 was only 0.6%! This really flies in the face of reality! It appears that Pekan has himself become a victim of the government's propaganda! Our government has set the poverty line at RM830 for a family with three children in Peninsular Malaysia. This would mean that a family with a household income of RM900 would not be considered poor. But definitely even RM1,200 isn't enough to meet the basic needs of a family with three children.

I would think that setting the poverty line at a monthly household income of RM1,500 for rural families and RM2,500 for urban families would be much more realistic. If that was

done, then the rate of poverty would be about 25% of Malaysian families.

Let's now look into the causes of the poverty that I observed in my constituency. About 20% of the men who I surveyed received wages that were lower than the mandatory minimum wage of

RM900 per month. How can this happen?

The answer is – the existence of 3.5 million undocumented foreign workers in our nation. There are several thousand of them in Sg Siput and they are prepared to take jobs in estates, small farms and on the Felda schemes at wages that are below the minimum wage of RM900 per month. Malaysian citizens competing for these jobs have to accept similar wage rates if they wish to get employment.

Let me expand on this issue of undocumented workers a little. It is an important cause of the poverty among our B40 families.

Just last week a group of 33 Sri Lankan workers came to see me at my service centre in Sg Siput. They had come to work in the Hume Cemboard

factory in Sg Siput in July this year. As the management was not paying them as per their contract agreement, they had brought the issue up with the management. This resulted in their termination. By the time they came to see me, the management had cancelled their work permits with the Immigration Department and had taken out the COM or Check Out Memo, a sort of temporary immigration pass that enabled the workers to stay in Malaysia till the date of their flight back to Sri Lanka. That had been fixed for four days from the day they met me.

They told me that they were desperate to stay. They had each spent more than Rs100,000, equivalent to RM6,000, as fees to the agents in order to come to Malaysia. Many of them had to resort to borrowing to settle the agent fees. I told them that I was prepared to help. I advised that they come with me to the Industrial Relations Department office in Ipoh to lodge a formal complaint against their employer. With that in hand, I would take them to the Immigration Department to apply for a Special Pass. That would cost about RM100 each. They said they had not received the pay for the month. I offered to advance the money for them first.

I explained to them the law isn't particularly friendly to people in their straits. That the Special Pass did not give them the right to work for another employer while waiting for their case to be settled. But I promised that PSM would



89% of the rubber tappers work on 3 acres of land or less. 65% sharecrop.

stand by them and push to get the work permit so that they could work legally. They agreed then. But the next morning they called me to say that an agent had promised them work at an alternative employer, and that he would be able to get them a work permit within two weeks. I tried to explain to them that this was not possible. That they were going to fall into the hands of unscrupulous labour contractors and end up as illegal undocumented workers. I suppose I wasn't as convincing as that agent.

About a third of them decided to go with that agent, and they ran away from their hostel that day, augmenting the statistics of undocumented workers in our country. The remaining workers decided to cut their losses and go home.

This is the cause of the undocumented workers in Malaysia, Tuan Speaker. Most of them come through proper channels. But because of ill treatment or non-compliance with some terms of their contract, they end up in a conflict with their employers. It's an uneven conflict as their avenues

to argue their case are limited. And very often the employers play dirty by cancelling their work permits, rendering them illegal. As many are unprepared to go back to their home countries as they have debts there, they have no recourse but to become undocumented workers.

PSM and I are sometimes accused by "netizens" of being "soft" on foreigners. Some even have advised me to resign as an MP and go into an NGO working with migrant workers. It is clear that these people are not thinking deeply enough. The fact is that the presence of the 3.5 million undocumented foreign workers is seriously affecting the well-being of the bottom 40% of our population. Their presence curtails job opportunities for our B40 and also drives down the wage floor. The scope for Malaysian workers to negotiate better terms with employers is also severely circumscribed by the presence of a huge number of desperate foreign workers. It cannot be denied that the fates of the undocumented migrant workers and our B40 are linked.

So what can be done to contain the problem? Well first, one has to acknowledge the problem. Unfortunately there is no indication at all in the PM's Budget speech that he is cognizant of this problem. There are two things that we have to do:

1. We have to make it possible for foreign workers to take their grievances with their employers to the Labour Court or to the Industrial Relations Department (IR) so that these can be dealt with.

Employers often play dirty and cancel the work permits of the workers they are in conflict with. At present the Immigration Department makes it very difficult to obtain the Special Pass. They insist on seeing the date for the IR or labour case before they issue the Special Pass. The IR court date is only fixed after a process involving "conciliation talks" and, if this fails, referral to the Minister of Human Resources for clearance to refer to the IR court – a process that can take months.

The Immigration Department should issue special passes on submission of a letter from the IR or Labour Department that the worker has lodged a formal complaint against the employer.

At present the Special Pass states clearly that the worker cannot work, though he can stay in the country. Isn't this ridiculous? The sacked worker has to move out of the workers' hostel and find accommodation. He has to eat. How can he do this without finding an-

other job? Isn't the system encouraging him to work illegally?

The Special Pass issued to the foreign worker should allow him to look for employment with another employer. And when he does find another employer, the Immigration Department should issue a temporary work permit to him/her as expeditiously as possible.

If foreign workers are granted the right to redress, then the numbers among them who transition into undocumented workers would decrease quite markedly.

2. We should impose heavier punishment on the employers who take on undocumented foreign workers. Tuan Speaker, we now have 3.5 million undocumented foreign workers. It is obvious that they are not just sitting around shaking legs. Neither are they surviving on charity from the Malaysian public. They are working in thousands upon thousands of businesses and farms which find them a useful source of cheaper labour.

We do have laws, Tuan Speaker. Section 55(B) of the Immigration Act states in subsection (3) that any employer with more than five undocumented foreign workers in his firm should be punished with a mandatory jail sentence of at least six months. Have you heard of even one case of this happening? 3.5 million undocumented workers, but not even one employer convicted under Section 55(B)(3). What we do is that we come down hard on the foreign workers. They get

remanded. They get jailed, undergo whipping and then, after completion of their jail sentence, get deported. Their employer in the meantime employs another undocumented worker. We need tougher action on the employers, Tuan Speaker.

Let me take you back to my Sg Siput survey. 25% of the men surveyed were smallholders. Their low income is due to two factors. The first is the low price of rubber. The second is the size of their smallholdings. 89% were working on plots smaller than 3 acres. A tapper usually taps a rubber tree every other day. 3 acres can be tapped in a day. This means most rubber smallholders in Sg Siput only work three days a week. Another 15% of the men in the kampungs of Sg Siput cited "*kerja kampung*" (informal, contract work in the rural area) as their main source of income. They too only worked 2-4 days each week.

The Member from Pekan stated that in 2014, the unemployment rate in Malaysia was only 2.9%. However, in the hinterland of Sg Siput, about 40% of the men work only 3-4 days a week. They need extra sources of income but are unable to find work. This may be difficult to explain at first. There are literally thousands of foreigners working in the estates and factories in and around Sg Siput. But I would caution you to avoid making the mistake of blaming the under-employment of the kampung population on laziness on their part.

The truth is, employers

much prefer to employ foreign labour. Of course they have to pretend that they are looking for local workers, but they find it far more profitable to employ foreigners. Let me explain this a little further.

One of the men I interviewed in my survey, a 35-year-old, told me he had been working in the Isolite factory in Ipoh prior to his current occupation of “*kerja kampung*”. He was employed by a labour contractor who supplied some 50 workers to Isolite. He was paid RM900 as basic wage and offered four hours’ overtime every day, six days a week.

The problem with this arrangement was that the labour contractor was calculating overtime on the basis of a 1.0 ratio. According to the Employment Act, the overtime rate is 1.5 times the normal wage rate. In this case, RM900 divided by 26 (days) and then by 8 (hours) gives you RM4.33 as the hourly rate for normal work. Overtime should be 1.5 times, i.e., RM6.49. However, the labour contractor was only giving his workers RM4.33 for the overtime as well.

When this worker brought this up with the labour contractor, he was told quite rudely that if he wasn’t happy he could leave. No one was forcing him to work there, the boss had enough foreign workers who were willing and happy to work, etc. From then on the boss stopped giving him overtime work. After a few weeks of that “cold shoulder” treatment, the worker stopped work.

There is another reason

why foreign workers are more economical for the bosses. The employer does not have to pay EPF contribution for them. The employer has to make a contribution of 13% of the worker’s pay to the EPF monthly for all Malaysian workers. This works out to RM117 per month per Malaysian worker who is on the minimum wage of RM900. It is a mandatory contribution. A levy has to be paid for each foreign worker too. But in many cases, a sum of about RM100 is deducted from the foreign worker’s salary for the purposes of paying the levy.

The existing system discourages bosses from employing too many Malaysians. Foreigners are much more economical. They do not complain when paid overtime at the basic rates. One does not have to fork out another 13% to pay their EPF. If any labour dispute erupts, it can be easily dealt with by cutting their work permits and shipping them back to their home country.

If we wish to address under-employment of the rural population, we have to deal with this issue. In addition to strengthening the bargaining power of foreign workers and creating better avenues to redress unfair treatment, we should also legislate that the levy for foreign workers cannot be cut from their pay but must be paid by the bosses. We should ensure that there aren’t any economic advantages accruing from employing foreign labour.

All this can be achieved if there is political will. Why hasn’t it been done so far? Let’s

take a look at who benefits from the present situation. We know that the foreign workers get bullied, are poorly paid and are stressed out. We also know now that our B40 also are disadvantaged by the current setup. Those who gain are the bosses who get cheap and easily bullied labour, the agents and labour contractors who receive huge commissions for the provision of this cheap labour, and quite possibly senior government officials in the Immigration Department and in the police. Most of these beneficiaries would belong to the T10 or the richest 10% of our population. Is this why the government turns a blind eye?

Yes, Tuan Speaker, the 2016 Budget does have some “goodies” for the B40:

- The minimum wage has been raised to RM1,000
- The rubber price support scheme kicks in at a slightly higher price
- The BR1M amount has been raised a bit
- Several more medicines have been zero-rated.

But all of these do not undo the economic damage inflicted on our B40 population by the labour situation in our country where the presence of 5.5 million foreign workers – out of which 3.5 million are undocumented – has denied our B40 employment opportunities and has kept their wages below the official minimum wage level.

None of this is addressed in the 2016 Budget, Tuan Speaker. As such, I am not able to support this Budget. – 2 November 2015

The Gatco fiasco

S. Tinagaran

IN 1977, the Negri Sembilan Economic Development Corporation leased 4,700 acres of agricultural land to the National Union of Plantation Workers (NUPW) for a period of 66 years. In the same year, the NUPW incorporated Gatco (Great Alonioners Trading Corporation) as a vehicle to undertake the planting of sugarcane on the land. Sugarcane was the chosen crop since there was a sugar factory Gula NS nearby.

Four hundred former plantation workers from all over the country took part in this scheme, paying RM7,600 for the development of this settlement – RM2,600 as initial payment for 1 acre land cost, construction of one unit house and infrastructure on housing development area, and RM5,000 as initial payment for jungle clearance, infrastructure development and sugarcane planting on 10 acres of land. These 400 families moved in in 1980.

Unfortunately, the Gula NS sugar factory closed down due to financial problems and the settlers were left stranded. Gatco then took a loan of



Gatco settlers blocking the cutting down of their trees.

RM15 million from United Asian Bank to replant the area with rubber. The lot size was reduced to 8 acres per settler under a new agreement signed on 26 April 1983.

The rubber plantation project also ran into problems. Mismanagement was the core reason for this. Gatco was declared bankrupt for failing to settle debts of RM135,000 owed to a sub-contractor involved in the rubber planting. A liquidator was appointed to sell Gatco's assets to settle its debts.

The Gatco settlers took this matter to court in 1985, seeking a judicial review. A public tender was finally called on 4 December 2003. The settlers indicated their interest to buy this land, which was valued at RM16 million, and they paid up RM320,000 or 2% of the land value to the liquidators

on 18 August 2004.

However, instead of honouring this deal, the liquidators decided to sell the land to Thamarai Holdings. An agreement to this effect was signed on 2 December 2004. It appears that the land was given to Thamarai based on

negotiations and not through an open tender.

Things went quiet for a while, and the settlers continued tapping their rubber trees. Then, on 12 March 2015, without any prior notice, Thamarai brought in bulldozers, protected by thugs and backed up by the police, Rela and Land Department officers, to take over "their" land. When questioned about the existence of a court order, the police replied that they had orders from the Menteri Besar himself. The settlers who protested were beaten up by the thugs and then arrested by the police!

On 22 April 2015 the Negri Sembilan state government, in a written reply in the State Assembly, announced that after Gatco went bankrupt, the state government consulted with Thamarai to present 1,206 acres (out of the total 4,700

acres) to the settlers who were living there and working the land. Four-acre plots were to be distributed to the first group of settlers and 2-acre plots to the second group.

Meanwhile, the Court of Appeal on 25 February 2014 ruled that there had been irregularities in the Thamarai deal and that the case should be retried in the High Court. This hasn't yet occurred because Thamarai has appealed the matter to the Federal Court. This would mean that Thamarai's ownership of the land is still contested. Thamarai is thus not in a legal position to hand over part of the land to the state government. Thamarai's appeal to the Federal Court is still pending to this date.

Despite the fact that the matter has still to be heard in court, the state government and some private contractors linked to a Negri Sembilan MIC Youth leader have been trying to clear the land by cutting down rubber trees. To date, there have been more than 400 police reports lodged by settlers but no action has been taken. Instead the police have been harsh towards the settlers, repeatedly arresting them, sometimes without valid reason. There have even been instances where the police cited the failure of the settlers to have their identity card on them while working in their rubber smallholding as the reason for arresting the settler. This clearly is harassment and an abuse of police powers.

On 27 May 2015, PSM accompanied around 100 settlers to picket in front of the state police headquarters in



Memorandum to the Menteri Besar of Negri Sembilan.

Seremban and to hand over a memorandum to the state police chief DCP Datuk Jaafar Mohd Yusof urging the CPO and state HQ to take over the investigations and asking the police to remain neutral. However, the memorandum to the CPO did not result in any improvement on the ground as the police in Air Hitam and the Jempol district HQ kept on harassing and arresting the settlers on flimsy grounds.

In June 2015, the Gatco Action Committee (GAC) and PSM handed over a memorandum to the Malaysian Human Rights Commission (Suhakam) regarding the abuse of power by the authorities. On 29 July 2015, around 150 settlers together with NGOs and opposition politicians gathered in front of federal police headquarters in Bukit Aman to stage a protest and hand over a memorandum outlining the misuse of power by the Negri Sembilan police.

On 16 July 2015, the GAC handed a letter to the state government asking for a meeting with the Menteri Besar. Finally on 12 October 2015, the GAC was called to the office of the Negri Sembilan State

Secretary. Four committee members of the GAC and two representatives from PSM met the State Secretary, who did not seem to be aware of the actual situation pertaining to the land under dispute. He kept on saying that the settlers had lost the court case and was not aware of the latest developments in the case and the Court of Appeal's decision. Finally he asked the GAC to bring all the relevant documents so that he could study them and discuss with his lawyers.

While the Gatco fiasco has still to be resolved, the determination of the people to obtain justice and the tactics employed by the GAC and PSM in highlighting the issue to progressively higher echelons of the police hierarchy and to the general public, have helped put the Gatco settlers in a better bargaining position. The doors to a more meaningful negotiation have been opened. It remains to be seen if the vested interests represented by Thamarai Holdings and certain MIC factions will agree to a fair resolution.

S. Tinagaran is Chairman of PSM Seremban.

The battle over farms in Perak

D. Jeyakumar

THE 11 farmers tilling the land in Padang Tembak about 2 kilometres north of Sg Siput township were shocked to receive notices from the Land Office ordering them to vacate the land they had been tilling for between three and 20 years. The notice warned that if they failed to do so within two weeks, they would be liable to a fine of RM10,000 and/or a jail sentence of not more than a year.

This scenario is played out several times a year in diverse locations all across the state of Perak. Most of the “market gardeners” who grow vegetables and fruits for sale in local markets are ethnic Chinese who have been tilling unused government land for decades. Some of them are on farm sites that were initiated by their grandparents. Many of them have applied for grants to the land that they have been working on, but very few have had a positive response. There are also a sprinkling of fish and livestock rearers among them – in the Padang Tembak community for example, there is one fish rearer and three cattle rearers as well as seven vegetable farmers.

With the continuing urbanization of Perak, there is a drive for new industrial and housing projects. Although plantation companies occupy



Sit-in at gate of Perak Menteri Besar's office. 39 people were later arrested at this protest.

far more land than do the market gardeners – in Sg Siput for example, the plantation companies are cultivating about 18,000 acres of land, while the market gardeners and livestock rearers only occupy about 1,000 acres – the state government rarely acquires plantation land for these projects.

The National Land Code gives the state authorities immense powers to alienate land. Small farmers on state land have no rights at all to the land they are farming, even if they have been cultivating the land for two, three or more decades. There is no requirement in the National Land Code to offer alternative farming land or even to give adequate notice. In the Padang Tembak case cited above, they were only given two weeks to vacate their land. The government plans to build a school at the Padang Tembak

site – surely the plans should have been in gestation for the previous two or more years. But the 11 farmers were not notified of the government's intentions up till the last minute.

PSM is currently helping small farmers in over 20 locations in Perak. In all of these locations, the farmers have been asked to make way for “development”. How does a small party without allies in the ruling government, and without its own State Assemblymen, help small farmers facing eviction? There are several ways one can help.

The first is that we help the farmers find out what exactly is going on by going to the Land Office with them to find out the nature of the project that their land is going to be used for, and then going on to the Registrar of Companies to find out the personalities be-

hind the companies involved. Forty-two farmers in Tronoh found that their land was being acquired by MB Inc, a company owned by the state government to be used for developing a new township in concert with a big property developer.

We then help the farmers make representations to the authorities, starting with the local Land Office, and if the Land Office does not respond, make efforts to meet the Menteri Besar, who is often the head of land matters in the state. If this fails to result in a meeting, we have the option of taking the matter to the Minister of Agriculture, the Prime Minister and to the Malaysian Human Rights Commission (Suhakam). The Tronoh farmers went through all these stages, but without much success.

In the meanwhile, the land has to be “protected”. We help the farmers make police reports stating that efforts are being made to contact the relevant authorities and asking the police to advise the Land Office or the developer to give time for the response to be obtained and to settle the issue through negotiations. Usually the evicting party will come together with the police. Police reports of this sort will lead them to pause for a while. However, we prepare the farmers to resist forced eviction by discussing that possibility, getting them to make a list of their and their friends’ phone numbers and by organizing some system of surveillance of the land. If the developer attempts to evict the farmers by force, we go and



Protesting the eviction of small farmers.

stand with them, blocking the bulldozers if necessary. More often than not, we can get the developer to withdraw. But sometimes some of us get arrested in the process. Two PSM members (including Saras, our National Deputy Chairman) and a farmer have been arrested in 2015.

If the developer attempts eviction and the Menteri Besar (MB) still refuses to give a date to meet, we might then organize protests outside the MB’s office and call the press to cover these. This applies some pressure on the MB. It also sometimes results in arrests – in August 2015, 39 of us got arrested for doing a sit-down protest in front of the MB’s office. This group included some 27 farmers, several PSM members and several supporters. We were all released after several uncomfortable hours. But it made the headlines in several papers (and it boosted the confidence of the farmers’ group). However, even this pressure did not make the MB of Perak budge. We still haven’t got an appointment to meet him!

I attempted to put in a Private Member’s Bill in Par-

liament in 2015 to include a new Section 214B in the National Land Code mandating the setting up of a special committee that would oversee the alienation of government land for any form of development. This committee, structured as a mirror image of the Estate Land Board as set out in Section 214A of the Land Code, would be empowered to turn down applications of the Land Office to alienate land if there are farmers cultivating it. However, the Speaker of the Dewan Rakyat disallowed it as he felt that this proposed amendment encroached on the powers of the state. I checked with some senior lawyer friends, and was told that in this case the Speaker had a valid point, for, according to the Ninth Schedule of the Federal Constitution, land matters come under the purview of the states and the Federal Parliament cannot legislate in this area except in very tightly defined situations as laid out in Article 76 of the Federal Constitution. I have, however, passed the entire Bill to a DAP member of the Perak State Assembly for him to try and put it in at state level.

While all this was going on, in two of the areas the developers concerned filed court cases to evict the farmers. We have helped them get lawyers to file their counterclaims. Usually an application under Order 89 for summary eviction can be defeated as these farmers have been there for decades and they often have documentary evidence that they were there with the knowledge and therefore implied consent of the state. But usually when it comes to this stage, our days are numbered. The developer can file a formal application for vacant possession, and as he does have the grant to the land, the courts have little option but to grant him the order. Then the developer can ask the police to help them in the eviction process, and our resistance then becomes contempt of the court order giving possession to the developer.

The Jelapang branch of PSM has helped the Tronoh farmers file a case challenging the legitimacy of the state government's alienation of land to MB Inc. Our lawyers are arguing that venturing into commercial enterprises violates the conditions under which a company such as MB Inc was set up. This matter is being argued by Mr Chan Kok Keong at the Federal Court.

Meanwhile in Sg Siput the Padang Tembak farmers have enlisted the help of Dato Ambiga Sreenevasan to apply for a judicial review of the government's action with respect to the land of these farmers. We are arguing that though the National Land Code empowers the



Padang Tembak farmers at Taiping Court, December 2015.

state government to allocate any unalienated state land for building a school, the failure of the government to give adequate notice and to offer alternative farming land is a gross misuse of its powers, especially given that Malaysia is not self-sufficient in vegetables, meat and milk. This case has been filed at the Taiping High Court. Despite protestations from the Attorney-General's Chambers, the Taiping High Court judge Yang Ariff Mohamed Zaini b Mazlan granted us leave on 3 December 2015. This gives us the opportunity to set out the issues faced by this group of farmers. Both these matters are being done pro bono by the lawyers concerned.

We have also used all of this to try and educate the public regarding the issue. We have prepared simple pamphlets in three languages which we have given out in wet markets as well as night markets in several towns all over Perak. Food security is an issue that affects every resident of Perak, and they should be informed of the arrogance and irresponsible at-

titude of the government that they have put in office! So far we have organized two fundraising dinners for the farmers, one in Jelapang and the other in Sg Siput, to help defray some of the costs of running this campaign. We are careful with how this money is held, spent and accounted for. In Sg Siput we have opened a special bank account with three signatories, two of them being from the affected farmers, for the money collected through the dinner.

So, there is still quite a lot that can be done even if one is not in government and even if one's party does not have any State Assemblymen. (Of course if we did have a PSM Assemblyman, we would explore the legislative angle at the state legislature.) One additional bonus of the campaign that we have been conducting for the small farmers in Perak is that it is another factor that might help bring down the BN government in Perak if the opposition parties do not end up stabbing one another in the back when the next general election comes! Do wish us luck!

She's the hero

Madhavi S.

BET you know these cool heroes: Superman, Batman, Spider-Man, Iron Man, and the list goes on. Ever wondered, though, why lots of movies we come across feature superheroes instead of superheroines?

That's probably because there aren't that many prominent fictional superheroines. But real-life superheroines – those who don't don nifty capes, wield bulletproof shields or wear shiny suits of armour – are all around us, be it at home or in society.

Life or a world without women is impossible, and 8 March is a special day to highlight and celebrate women all over the world and the ones near and dear to us.

The struggle for recognition of International Women's Day has a deep revolutionary history – of brave and courageous women fighting for their rights in the patriarchal society back in the 1800s. In 1909, the Socialist Party of America observed the day in remembrance of a 1908 strike by the International Ladies' Garment Workers' Union. The day was later celebrated by their German counterparts and the Communists in Russia.



Malahayati.

Over the years on International Women's Day, women have taken to the streets and fought tirelessly to gain equal rights. This year's international theme, "Pledge for Parity", clearly spells out the fact that the long struggle is not yet over. Women all over the world still face discrimination and are vulnerable to exploitation.

One has to understand that the rise of women doesn't entail the fall of men but rather reflects a progressive society. As prominent early women's rights activist Elizabeth Cady Stanton wisely said, "Because man and woman are the com-

plement of one another, we need woman's thought in national affairs to make a safe and stable government."

Let's look at Southeast Asia's rich history of women rulers and warriors that's often forgotten. For example, we have Malahayati, an admiral in the navy of the Aceh Sultanate which ruled the area of modern Aceh province in the 16th century. She was the first woman admiral in the modern world and her troops were drawn from Aceh's widows and the army named the "Inong Balee". She led battleships crewed by her 2,000 brave women warriors.

She was feared by pirates and even by the Portuguese and the Dutch for her legendary battlefield skills.

The first queen of Aceh was Ratu Nibrasiyah Rawa Khadiyu, who ruled the 15th-century kingdom of Samudra Pasai. In the 17th century, four sultanas consecutively ruled the kingdom of Aceh Darussalam. Aceh also had several women *hulubalang* (rulers of autonomous regions, equivalent to European dukes), and in the days of Queen Safiatuddin, 18 of the 73 members of parliament were women.

Back in our homeland, women played important political and social roles alongside men in pre- and post-independence Malaya. Srikandi Suriani and Shamsiah Fakeh were among the many women warriors who fought against the British imperialists. They, however, remain unsung she-oes whose immense contribution to the nation's independence will go unrecognized unless there is a conscious effort to teach the 'real' history in schools again.

Zooming our lens back to this millennium, women make up half the world's population and work two-thirds of the world's working hours, but receive just 11% of the world's income and own less than 1% of the world's property. Furthermore, physical or sexual violence is a problem that affects more than a third of all women globally, according to a report released by the World Health Organization (WHO) in



Shamsiah Fakeh.

2013.

The modern capitalist system has drawn women into paid work, where they now comprise at least half the national workforce in many countries. Women have been deceptively led to believe that this development equates to real liberation. What has actually happened, however, is that a woman's workload has in fact more than doubled as conservative notions of gender roles still persist, whereby the working woman is also expected to be a good homemaker. Therefore capitalism is able to thrive with the entry into the market of a female workforce that is also responsible for the nurturing of the future workforce (their children).

Women must fight as part of the oppressed working class, for better distribution of the wealth they help produce as workers. In today's context, they need to demand a higher

minimum wage, shorter working hours, greater job security and a better social safety network. Women need to fight against gender discrimination that further oppresses them and against violence against women, and for greater dignity, equality and respect, and for reproductive rights including the basic right to make decisions on their own body and health. These are among the many glaring contradictions that undermine the position of women the world over.

It's 8 March, so remember that women are the she-oes and superheroines the world needs. History has proved it repeatedly but women often forget their own strength and take a backseat. As the way forward for us to embrace this herstoric day, let me conclude with a Nobel Prize winner's powerful words:

"I'm convinced Socialism is the only answer and I urge all comrades to take this struggle to victorious conclusion. Only this will free us from the chains of bigotry and exploitation." – Malala Yousafzai

Here's wishing each and every woman a progressive, radical International Women's Day.

Madhavi S. is Coordinator of JERIT (Jaringan Rakyat Tertindas – Oppressed People's Network).

Political Islam in Malaysia

D. Jeyakumar

WHETHER the people who are for secularism like it or not, Islam is an increasingly powerful presence in Malaysia's political arena. It cannot be wished away. We have to deal with it. The first step would be to delineate the various strands of Islamic politics that exist in Malaysia at present.

PAS has been using its Islamic credentials to win votes in the northern states of Peninsular Malaysia ever since Independence. Since the mid-1980s PAS has pushed the Hudud agenda to demonstrate to the faithful that it, not UMNO, is the best and most sincere proponent of Islam in Malaysia. The Hudud enactment was passed by the PAS-controlled Kelantan State Assembly in 1993 and by the Terengganu State Assembly in 2002 when PAS held Terengganu for a term (1999-2004). But both these states have not been able to implement the Hudud criminal code as that would contravene certain provisions of the Federal Constitution. This has enabled PAS to intensify its propaganda war against UMNO for blocking the amendments to the Federal Constitution that would enable the implementation of Hudud in Kelantan and



A marked reluctance to amend poorly crafted laws.

Terengganu.

For the first 30 years after Independence the UMNO-led government was more concerned about the challenge from the Left in the form of the Communist Party, the Socialist Front and the union movement. The Left was perceived as the most dangerous challenge to UMNO's hegemony. However, since the 1980s, UMNO has been taking steps to counter PAS's attacks from the Islamic flank. Recruiting Anwar Ibrahim, the charismatic leader of the Muslim Youth Movement of Malaysia (ABIM) then, was a major coup for Mahathir. Mahathir went on to canvass that Malaysia was already Islamic in character.

Some of UMNO's efforts are not much more than tokenism, such as its development of "Islamic" banking, insurance and bonds. In Islamic banking

for example, interest is disguised as a sales agreement and given an Arabic name. In so doing, UMNO is taking a restrictive, literal interpretation of the Koran's stand on *riba* or usury. This is actually quite similar to PAS's approach in deciding to promote Hudud as the most important "plank" of its Islamization project.

Unfortunately, some of UMNO's other attempts to demonstrate its fidelity to Islam haven't been as benign. One of the efforts taken by UMNO in the late 1980s was to table bills in several State Assemblies to control the propagation of non-Islamic religions amongst Muslims. This is provided for under Article 11(4) of the Constitution, which states that "State Law may control or restrict the propagation of any religious doctrine among persons professing the religion of Islam". However, the poor drafting of these enactments has had the unfortunate (and perhaps even unintended) effect of empowering the state authorities to interfere in the form of worship that is allowed of non-Islamic religions even if it is among their own members and in their own house of worship.

For a while nothing happened. Things came to the fore when in 2007, the Home Ministry used this enactment to bar the Catholic in-house newspaper, the *Herald*, from using the term “Allah” in its Bahasa Malaysia section.

One does not have to be an expert in constitutional law to realize that this problem over the use of the term “Allah” can only be resolved definitively when the poorly drafted enactments are amended to make it clear that it is an offence only when the terms specified in these enactments are used in an attempt to convert Muslims. However, none of the State Assemblies (and some of these have been controlled by Pakatan Rakyat for two terms) have had the political courage to make the necessary amendment. All the Muslim-majority parties – PAS, PKR and UMNO – are reluctant to open themselves to accusations that they are “soft” when it comes to Islam. Their fear of political sniping from the other parties leads them to be “soft” in terms of justice and fairplay though they often state that justice and compassion are the essence of Islam.

Another not-so-benign attempt on the part of UMNO to embellish its Islamic credentials was the 1988 amendment to Article 121 of the Federal Constitution. This expanded the powers of the Syariah Court by specifying that the civil courts do not have any jurisdiction over any matter that comes under the Syariah ambit. This has had a deleterious impact on those individuals who, despite

having been brought up as non-Muslims, have been designated as Muslim in their documents. Many of them are products of mixed marriages that have broken down, resulting in their being cared for by their non-Muslim grandparents. Previously such individuals could swear a deed poll in the High Court and then proceed to the Registration Department to make the necessary changes to their documents. Now they have to go to the Syariah Court, and quite often Syariah Court judges are extremely reluctant to accede to their request. There are scores of individuals caught in this “no man’s land” between religions, and this has greatly inconvenienced them, to say the least.

As mentioned earlier, both UMNO’s and PAS’s attempts to demonstrate to the faithful that they are the true defenders of Islam are based on ahistorical and literal interpretations of the Koran. There are however Muslims who have a different approach to the project of Islamization of society. One such group is IKRAM, which held a conference entitled “Maqasid Syariah” (which means “the higher objectives of the Syariah”) in October 2015. Their keynote speaker, Dr Rachid Ghannouchi from the En Nahda movement in Tunisia, had to cancel his participation at the last moment. But the organizers had managed to record a 30-minute video presentation from him especially for this conference.

Ghannouchi spoke in Arabic and the video was paused every few minutes for

translation into Malay. He stressed that Islam stood for justice for all and for a harmonious relation with the environment. He said that the objectives of Islam were to promote the welfare of all citizens and to promote freedom – of thought, of belief (including religion) and of association. The rights of women and ethnic and religious minorities are to be preserved under Islam. Diversity in religion and in culture is a blessing. It enriches life and should be handled gently. We should not fight over these differences. The answers to handling all these issues can be discerned through *ijtihad* (rational discourse) based on the Koran and the Sunnah (Hadiths and the actions of the Prophet).

There were four other speakers, including Dr Dzulkefly Ahmad from Parti Amanah. Then came a discussion involving four panellists including YB Dr Mujahid Rawa, the MP from Parit Buntar, Dr Maszlee Malik, a law professor from UiTM, and Syed Ibrahim Syed Noh, former Chairman of the Abolish ISA Movement (GMI). Among the ideas expressed was that an Islamic programme would vary from place to place depending on the characteristics of that society. Mujahid said, “We have to contextualize Islam and indigenize it. Cannot simply copy-paste from different eras or different societies.”

There was active participation from the 2,000-strong audience, who were largely IKRAM members from all over the country. A woman asked why all the speakers were male

despite the claim that the Maqasid Syariah mandates promotion of women's participation. The audience clapped. She was told that that is work in progress. The capacity of women should be promoted and there needs to be affirmative action for this. A young lady asked Mujahid his stand on sexual minorities. Again the audience showed their approval by clapping. Mujahid answered that one does not need to agree with the beliefs or lifestyle of the other before engaging him or her. He went on to say that acting harshly against people we do not agree with is not right. We need to understand, he added. Another participant asked about handling Shia believers. He received an answer similar to the one regarding sexual minorities. The active encouragement of women and youth to ask questions is quite radically different from the more hierarchical and authoritarian relation between the ulama leaders and the rank and file in PAS.

Several of the Parti Amanah leaders, the G25 moderates and a significant portion of the Malay middle class subscribe to this IKRAM position. Where do the proponents of this position stand with regard to implementation of Hudud? The public position of the IKRAM leaders is that Hudud, being God's law, has to be accepted by mankind. However, certain preconditions have to be met including resolving the issues



Issue of unilateral conversion not resolved as yet.

of poverty and inequality, apprehension regarding Hudud among the non-Muslims, and the undeveloped state of the Syariah institutions. Do some among them believe that Hudud also has to be "contextualized"? Perhaps living in the shadow of the PAS-dominated Islamic discourse for the past 30 years makes it difficult to signal an abrupt U-turn.

There are also other quite diverse views regarding Islam among Muslims in Malaysia, but these constitute a minority. There are "Koranists" who believe Islamic jurisprudence should be based solely on the Koran; the Hadiths and the Sunnah should not be taken as among the sources of Islamic jurisprudence. This view is at variance with PAS, UMNO and IKRAM, which all affirm the validity of the Hadiths and the Sunnah. Kassim Ahmad is probably the most prominent of the Koranists, and he has been taken to court by the Syariah authorities.

There are also Muslims who believe that a thorough implementation of Islamic prin-

ciples would result in a socialist society. Most of them do not openly state this as there is still quite a bit of antipathy to communism and a significant portion of our people will associate socialism with communism.

The fact that there are at present several dozen Malaysian jihadis in Syria and Iraq supporting ISIS and other armed groups is indicative that there are some Malaysian Muslims who can be persuaded that violence is justified if it is in the cause of religion. These are probably a very small minority at present, but the further marginalization of Malay youth could swell their ranks.

Islam is here to stay. Muslims all over the world believe that Islamic values should be infused into the way their societies are governed and that it is part of their religious obligations to ensure this. Some of them believe that it is quite alright to force this on the society, by violence if necessary. However, there are also people like Dr Rachid Ghannouchi who argue that an Islamic theocracy isn't necessary for the infusion of Islamic values in society, that political plurality should be promoted and diversity embraced, and that force should never be used to settle ideological or religious differences.

It would be in the interest of all Malaysians if the more inclusive and non-authoritarian strand of Islamic politics gains ascendance.

A Muslim case for liberty

The following is the text of the foreword to the Malay-language edition of Mustafa Akyol's *Islam Without Extremes: A Muslim Case for Liberty*.

Mustafa Akyol

I HAVE written this book for several reasons: To counter the Islamophobic trends in the West, to give a concise story of the Muslim civilization, or to criticize the authoritarian regimes in the Middle East. But most importantly, I wrote it for a self-assigned mission: To revitalize the value of freedom in the minds of my fellow Muslims.

But why is freedom important? Why do we need it? Is it an Islamic value in the first place?

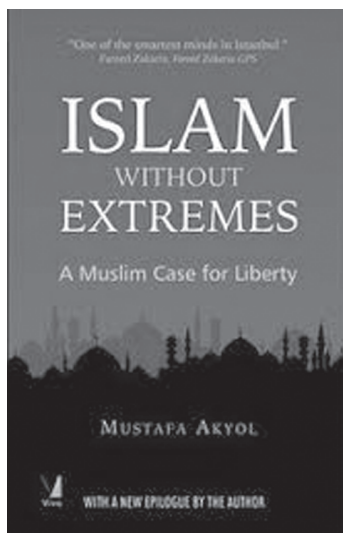
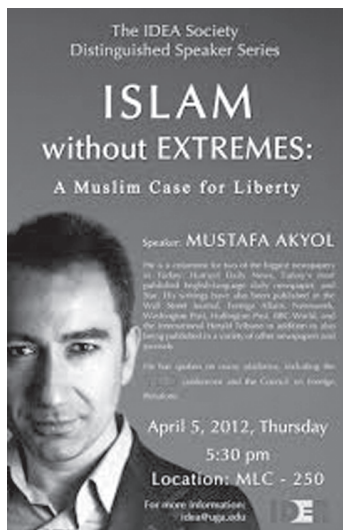
You will find the answers in the book. But here is an answer in a nutshell: Yes, we desperately need more freedom in our societies, and the best way to see why is to realize the disastrous effects of the lack of freedom.

Take the freedom we sacrifice by imposing Islam on each other, for example. Some states in the Muslim world proudly do this imposition, by employing “religion police” that enforce the practices of Islam, such as wearing a headscarf (*hijab*) or refraining from alcohol. As a result, are their societies becoming more religious? No, by the testimony

of countless observations. Because imposition of religion does not make societies sincerely religious. It rather makes them hypocritical. People observe Islam not because they fear Allah but because they fear the state. Some people even begin to detest Islam, while conforming to it in appearance.

So we need freedom – the right to choose our way of life – not because we need to move away from religion. We need it, rather, to be sincerely religious, in the way we understand it, in the way we genuinely feel about it.

The lack of freedom not only breeds hypocrisy. It also deprives us of intellectual development. Many Muslim states have a tendency to ban publications, books or simply ideas that are “against” Islam. They do this with the intention of protecting Muslim minds from “going astray.” What they do instead, however, is to keep Muslim minds isolated, incapable of articulating Islamic faith and values in an open, pluralistic world. Banning free speech seems to save us from the challenge of “harmful ideas,” but it actually deprives us of the in-



tellectual maturity that will come by facing them.

It is no accident that the most successful era of the Muslim civilization, from the 7th to the 13th centuries, was also the time Muslims were open to different ideas from different civilizations, such as Ancient Greece. Great Muslim thinkers and scientists emerged not by condemning Aristotle as a worthless “*kafir*,” but by reading him in the light of the Qur’an. It is also no accident that our regression as a civilization began when we condemned such cosmopolitanism and began to venerate parochialism and isolation, as shown in this book.

In the political realm, the lack of freedom has a poisonous consequence, which is very widespread in the Muslim world: authoritarian rule. We have authoritarian kingdoms, authoritarian single-party republics and even authoritarian “democracies.” The result is bitter struggles for the domination of these all-dictating states. Why do we have disastrous civil wars in Iraq and Syria? Mainly because the Sunnis, the Shiites (or Alevis), the Kurds and others cannot agree on a liberal political system which will guarantee the freedom and equality of all communities and all citizens. The “*fitna*”s we complain about are created, first and foremost, by our inability to tolerate differences and obsessing about dominating each other, rather than sharing power.

I know some of these issues are controversial in Malay-

sia too, a beautiful country I twice had the chance to visit. I am in no position to advise the people of Malaysia how to govern their affairs. But I will be glad if this book contributes to the ongoing debates in this dynamic nation about Islam, the state and freedom. Hence I am deeply thankful to the Islamic Renaissance Front, its idealist director Dato’ Dr. Ahmad Farouk Musa and his hard working colleague Dr. Nur Asyhruff for printing my book in Malay.

As we say in the Islamic tradition: ours is the effort, success is only Allah’s blessing.

Mustafa Akyol, a Turkish journalist and author, studied political science and history at Bogazici University, and teaches politics at Fatih University, both in Istanbul.

The above is reproduced from the website of the Islamic Renaissance Front (irfront.net), which brought out the Malay-language edition of Islam Without Extremes, Islam Tanpa Keekstreman: Berhujah Untuk Kebebasan.



di mana ada penindasan
di situlah teretusnya kebangkitan

Malam Salam Perjuangan

730PM 16-4-2016 (Sabtu)
Dewan Chin Woo, Jalan Stadium, KL
RSVP: 016-2290460 bendahari@partisosialis.org



Free Khalid Ismath!

KHALID Ismath, a 25-year-old PSM member, was arrested by the police at his place of work in Klang on 7 October 2015. We were informed by the police that they were responding to complaints from members of the public that Khalid had shown disrespect to the Johor monarchy in his Facebook postings pertaining to the continued detention of a certain Kamal Hisham Jaafar.

Kamal Hisham Jaafar is a businessman-cum-lawyer who was the legal advisor to the former Sultan of Johor, Sultan Iskandar Sultan Ismail. He relocated to Dubai in 2011 after falling out of favour with the royal family. On 2 September 2015, when Kamal Hisham returned to Singapore on some personal business, he was arrested by the Singaporean police and handed over to their Malaysian counterparts. He was charged with criminal breach of trust involving a sum of RM533,000 and offered bail of RM300,000. After posting bail, he was released, only to be rearrested after the Public Prosecutor applied for a revision and the bail was withdrawn. He had been in remand for more than a month at the time of Khalid's arrest, and still is, at the time of this writing (4



PSM Central Committee member S. Arutchelvan (left) was among those actively engaged in the campaign to free fellow party member Khalid Ismath (right).

December 2015). Apparently, in Khalid's Facebook posting commenting on Kamal Hisham's detention without bail, Khalid had referred to the police and judicial authorities using a term that some construed as being disrespectful of the royalty.

Khalid was taken to Johor Baru on the same day he was arrested. Malaysian law only allows the police to hold a suspect for 24 hours. To detain a person for a longer duration, the police have to apply to a magistrate under Section 117 of the Criminal Procedure Code for permission. This is what the police did for Khalid on 8 October 2015. They asked for a four-day detention period for investigation under Section 233 of the Communications and

Multimedia Act (CM Act). Khalid's lawyers asked for immediate release. The magistrate assented to a two-day remand order.

When this expired on 9 October 2015, the police asked for an extension of remand of another three days. This was turned down by the magistrate. The police then took Khalid back to the police station, "re-released" him and rearrested him for investigation for offences under the Sedition Act. The following day they asked for and obtained a four-day remand order.

This is when PSM started the campaign to free Khalid, as it became clear to us that the authorities were misusing their powers to harass and punish Khalid. Sivarajan, Selvam and

Arul went down to Johor Baru and met up with senior police officers there. We also met up with the lawyers who had come forward to help out. PSM members in Johor Baru held candlelight vigils outside Khalid's detention centre. PSM members from other states took turns going down to Johor Baru to take part in these protests. We also organized vigils in Kuala Lumpur, Klang, Cameron Highlands, Ipoh and Penang.

Upon the completion of remand on 13 October 2015, Khalid was charged in the Sessions Court for 11 offences under the CM Act and three offences under the Sedition Act. The first 11 offences refer to the 11 times he used a particular term to refer to the authorities responsible for the incarceration of Kamal Hisham. The Sessions Court judge refused to give bail although all the offences Khalid was charged with are bailable. The judge opined that there is a high likelihood that Khalid would abscond to another country.

PSM continued with its campaign, which included presenting a memorandum to the Chief Justice, while the lawyers filed an application in the High Court of Johor Baru for a revision of the Sessions Court decision regarding bail. In the meantime, Amnesty International declared Khalid a prisoner of conscience. Khalid's High Court application was heard on 29 October 2015 and Khalid was granted bail of RM5,000 for each of the 14



Denied bail and held for 21 days.

charges, a total of RM70,000. PSM has a small bail contingency fund. We used some money from this while the larger share came from the Freedom Fund that has been set up to assist individuals facing political persecution. All in all, Khalid had been in detention for 21 days, much of it in solitary confinement.

It is perplexing why the police reacted in such a heavy-handed manner against Khalid. Is it due to competition among different factions of the ruling elite to demonstrate their loyalty to the royalty? UMNO is currently split and there is a high-stakes power struggle taking place now. Or was Khalid's arrest and detention to discourage criticism of any sort, including regarding the 1MDB scandal? Difficult to say.

Following this episode, there was a discussion within PSM as to whether we should try to avoid more arrests on charges of insulting the monarchy. As one of the members put it, *rallying for members locked up on sedition charges takes time and energy away from addressing the ongoing economic assault on ordinary Malaysians – the low-wage policy, the GST and now the*

TPP. It would be better if we could focus on these neoliberal assaults on the working people.

This is a valid point. But the campaign to release Khalid also helped in the political education of the Malaysian public. We pointed out that remand

is for the purposes of facilitating investigation; it should not be used with punitive intent. Similarly bail is a right. Denial of bail in order to “teach someone a lesson” is wrong in law. Punishment should only be prescribed after the accused is found guilty in a court of law. We also talked of the link between repression and the growing attraction among some sections of our youth to militant approaches. We also showed through our example that it is possible to stand up against authoritarian misrule. That ordinary people have rights and that collectively we are strong.

As PSM Chairman Dr Mohd Nasir is wont to say, “It is not this or that. It should be this *and* that, depending on the timing and situation.” Resisting the neoliberal assault on the well-being of the ordinary people of Malaysia (currently it is the TPP that they are trying to ram down our throats) will remain PSM's main focus. But fighting attempts to bully and intimidate activists is also important for the struggle to defend the democratic space.

PSM wishes to thank all those who played a part in this campaign.

Charged with sedition, PSM politician insists lawful now to criticize judgments

Ida Lim

OPPOSITION politician S. Arutchelvan on 23 November 2015 pointed out that the government has moved to remove criticism of the courts and the executive as an offence under the Sedition Act 1948, a wrong he was accused of committing.

Shortly after being charged with sedition on 23 November, Arutchelvan called his prosecution over his criticism of a Federal Court decision a “waste of public funds and waste of public time”, also saying it was a “joke” to bring a case against him for statements similarly made by other media groups.

“And I would continue to say this is yet another political prosecution,” the Parti Sosialis Malaysia (PSM) central committee member told reporters.

Arutchelvan, or Arul as he is popularly known, said the sedition charge against him goes against the fundamental human right to free speech.

“It’s a whole question of whether political parties or individuals in this country have the freedom of speech or freedom of expression to comment on anything,” the seasoned human rights activist said.



Parti Sosialis Malaysia (PSM) central committee member S. Arutchelvan (front, 2nd from right) with PSM chairman Dr Mohd Nasir Hashim (front, right) and his lawyer New Sin Yew (front, left) on 23 November 2015. – Picture by Ida Lim, Malay Mail Online



Arutchelvan was charged with sedition for criticizing the judgment in Anwar Ibrahim’s second sodomy case.

“I think basically this is a party’s statement on a judgment, I think as a responsible political party we have a right to make criticism on bad judgment,” he said of his 10 February 2015 statement as the PSM secretary-general then.

He also highlighted the political party had previously commented both positively or negatively on court decisions it deemed good or bad.

In the allegedly seditious statement by Arul that was read out in court on 23 November, he was said to have claimed among other things that the 10 February judgment in PKR politician Datuk Seri Anwar Ibrahim’s second sodomy case strengthened the belief that the courts are “not independent and politically driven”.

New Sin Yew, one of Arul’s lawyers, pointed out that the amendments to the Sedition Act, which have yet to come



Arrested for commenting on Anwar Ibrahim's case.

into force, include the removal of criticism against the “administration of justice” including the judiciary as an offence.

“And that’s important because the government, the Parliament has recognized it’s not in the public’s interest to continue to have such an offence,” he told reporters outside the courtroom.

Saying that a prosecution should only be carried out when there is a public interest or a

realistic chance of conviction, New added: “And there is nothing beneficial to the public to continue persecuting somebody who made a legitimate criticism against the judiciary.”

Arul claimed that the sedition case against him is meant to divert attention from other major issues in Malaysia and to wear down the federal opposition, besides allegedly to “disqualify people from standing in elections”.



Speaking after remand request denied by Magistrate.

In an immediate response, Human Rights Watch’s deputy director of its Asia division, Phil Robertson, called for the criminal charges against Arul to be dropped immediately.

“This prosecution is all about harassing a prominent and loud political critic, pure and simple,” he said in a brief statement.

“Once again, the Malaysian government is using the rights-abusing Sedition Act as a sword to strike at critics while failing to understand that every such prosecution takes the country farther from democracy and the so-called ‘moderate’ path that Prime Minister Najib extolled at the recently concluded Asean summit,” he added, calling for an end to sedition prosecutions and the revocation of the Sedition Act.

Gerakan Hapus Akta Hasutan (GHAH), a local coalition of 133 civil society groups, called for the scrapping of the Sedition Act and described Arul’s prosecution along with a list of individuals under the same law as politically motivated.

Citing Article 10 of the Federal Constitution, GHAH also urged Putrajaya to uphold the right to voice out and express opinions. – *Malay Mail Online* (23 November 2015)

Stop pushing back the boats

Rani Rasiah

TOGETHER with all concerned Malaysians, Parti Sosialis Malaysia (PSM) would like to assert that for the 8,000-odd Rohingya at our doorstep, pushing back the boats into the sea should never be considered an option. Instead they should be allowed on Malaysian shores whilst negotiations take place at ASEAN level on how best to resolve this humanitarian crisis.

Though the sad and bitter truth is that the sea seems to be the only place willing to host them now, it would be completely inhuman to push back the boats and abandon 8,000 lives to the vagaries of weather and sea.

Malaysia and other ASEAN countries need to accept that they are dealing with 8,000 lives, mostly victims of the barbarism of the genocidal Myanmar regime that has taken away their citizenship, and their right to life. Instead of criminalizing the victims, ASEAN nations must resolve to find permanent solutions to the situation. Turning them away or deporting them back to Myanmar are not only unacceptable, but such actions also do not address the crisis or prevent its recurrence.

Diplomatic etiquette and



It would be inhuman to turn the Rohingya away.

niceties cannot take precedence over lives, and ASEAN nations must use the ASEAN network to confront the Myanmar government in resolving this extremely delicate and complex problem. What is the need for ASEAN if it cannot speak for oppressed ASEAN peoples?

We must admit our role in this crisis. How serious have our efforts been in tackling human trafficking? Without traffickers of all nationalities at the source and all along the route to Malaysia, it is not possible to have such a massive cross-border movement of people. The current situation clearly reveals the mind-boggling extent of trafficking activity in the region. Malaysian NGOs working on migrant issues have many times alerted the government on trafficking activities,

including ransom killings by trafficking vultures. Yet as Thailand's recent stumbling upon the first mass grave of Myanmar victims implies, Malaysian and ASEAN governments are way behind the traffickers.

The government must depart from its standard practice of punishing the victims and being soft on the perpetrators of human trafficking and its attendant abuses. We ask the government to take a bold and humane decision, and allow the Rohingya refugees ashore until the problem is sorted out with the ASEAN community. Such an action will not earn us profits in monetary terms, but it is what every civilized government is expected to do. — *Press statement, 16 May 2015*

Where now, Amanah?

Mohd Nasir Hashim

A NEW political party, Parti Amanah Negara, was formed a few months ago, comprising mainly former members of the progressive wing of PAS. Despite it being in its formative stages, this new party is being touted as the much-needed replacement for PAS within the opposition coalition. To understand Amanah, we need to first understand the dynamics within PAS.

PAS was formed on 24 November 1951 after a split from UMNO. Its development can be divided into three main phases. Initially PAS had a more Malay nationalistic character. It openly canvassed the interests of the Malay community. Under the leadership of Dr Burhanuddin Al-Helmy in the 1960s, it also had some leftist inclinations. In 1970, Dato Asri Muda led PAS back into the UMNO-controlled ruling coalition when the democratic process resumed after the 17-month suspension of parliament occasioned by the May 13 meltdown in 1969.

The second phase of PAS's existence began in the early 1980s. The Iranian Revolution popularized the concept



Mat Sabu, Amanah President.

of an Islamic state. Current PAS President Hadi Awang, then a 35-year-old firebrand, came out with his thesis, the *Amanat Hadi*, that UMNO was infidel (*kafir*) as it was not sincere in propagating the struggle for an Islamic state, which for him meant the implementation of Hudud, the Syariah criminal code. This attack on UMNO was most strident in Terengganu, where even mosques were labelled as *kafir* because they were controlled by UMNO elements. This acrimonious tussle for leadership of the Muslim community was one of the factors leading up to the Mambali incident in 1985 where several people were killed when the local people tried to prevent the arrest of a local religious teacher, Ibrahim Libya. PAS under the control of the ulama passed the Hudud enact-

ment in the Kelantan State Assembly in 1993 but has been unable to implement it as it would contravene provisions in the Federal Constitution.

The third phase of PAS dates from the Reformasi movement sparked by the 1998 sacking of Anwar Ibrahim, then the Deputy Prime Minister of Malaysia. Many Malay leaders with a more moderate vision of Islam entered PAS and attempted to steer it away from the narrow fundamentalism of the ulama towards a more democratic and welfarist approach. They promoted ideas found within the Islamic tradition such as *wasatiyyah* (moderation) and *Rahmatan lil-'Alamin* (A mercy to all mankind). PAS did very well in the 1999 elections, winning the state of Terengganu for only the second time since Independence (the first was in the early 1960s – that government only lasted one year before several PAS assemblymen defected to UMNO and brought down the government). The anger people felt at the sacking and humiliation of Anwar was a major factor in PAS's 1999 victory but the appeal of a more inclusive, ra-

tional and welfarist Islam cannot be discounted.

However, the influx of more liberal-minded professionals and technocrats created a dynamic tension between them and the more conservative elements in PAS, who felt that these more liberal leaders were watering down the core programme of the party, which was, in their understanding, the establishment of an Islamic nation. When the more liberal-minded ulama leader Fadzil Noor died in 2002, Hadi took over as President and he presided over a shift back to a more fundamentalist stance with the acceptance of Harun Din's document regarding an Islamic state. He also oversaw the passing of the Terengganu Hudud bill in 2002. This Islamic lurch led to the break-up of the Barisan Alternatif opposition coalition as well as to the electoral debacle of 2004 where PAS lost Terengganu.

After the 2004 elections, the more moderate faction within PAS gained ascendancy and were allowed to promote a more tolerant and inclusive image of PAS. They came up with a manifesto "The Welfarist State" and developed a working relationship with the other opposition parties. They also took part in campaigns against the ISA and price hikes and for electoral reform. This led to the best ever showing of the Malaysian opposition in the 2008 and 2013 elections. PAS itself did very well, winning seats that it had never been able to win before.

Within PAS, however, the

pendulum began to swing back towards a more conservative brand of Islam. The entry of several younger leaders who had been trained as ustazs in the Middle East and had brought back with them the ultra-fundamentalist teachings of Wahhabi Sunnism led to an exacerbation of the tussle between the two factions. The death of the highly respected ulama Nik Aziz Nik Mat, who had been able to keep both factions in an alliance, was another factor that worsened the tension between the two groups. UMNO seems to have exploited this division well by enticing the conservatives in PAS with promises of support in the Federal Parliament for the implementation of the Hudud criminal laws in Kelantan. All this culminated in the 2015 PAS party elections which saw the trouncing of the liberals in the wake of a campaign by the fundamentalists which wasn't particularly "Islamic". This led to a split where a number of the liberals left to form their own party, Parti Amanah Negara.

PAS now is bereft of a group of younger and more dynamic leaders who were able to reach out to moderate Muslims as well as to non-Muslims. The current PAS leadership has alienated a large section of the population by taking an anti-secular stand, by being authoritarian and not taking up socio-economic issues affecting the masses. It seems to have lost sight of the fact that Islam is a universal religion and not the property of Malays. Its administration of Kelantan, which it

has governed uninterruptedly for the past 25 years, can hardly be described as stellar. Its rule of Kelantan could have showcased the high moral values and welfarism inherent in Islam. However, PAS's modus operandi has been to continue with the same economic programme that UMNO had carried out. PAS's handling of the forests in the interior of Kelantan and the floods at the end of 2014 have been deplorable. Kelantan remains one of the poorest states with a plethora of social problems including unemployment and drug addiction.

The challenges facing Parti Amanah Negara

The new Parti Amanah Negara faces an uphill task. It is top-heavy, as many of the rank and file within PAS, though sympathetic to the Amanah leaders, could not bring themselves to leave PAS as they had been with it for the past two or more decades.

For the Amanah leaders to promote a progressive form of Islam that is based on universal Islamic values, they would have to consciously redefine their position with regard to concepts such as secularism, democracy, human rights, justice and dialectics. There are strands within Islam that would consider democracy as not being quite Islamic; in a democratic polity, it is the collective will of the people that is considered supreme, while some Islamists hold that it should be God's will that

should be supreme. But who is it who determines what is it that God actually wills? Amanah has to develop its position on this. There are also authoritarian/repressive tendencies within Islam today as manifested in the view that it is quite kosher to physically suppress or even kill persons who deviate from the “true” interpretation of Islam. This is the ideological basis of “fatwas” calling for the killing of some individuals and for violent sectarian conflict. Amanah also has to articulate explicitly its position on diversity – in beliefs, in lifestyles and even in sexual orientations.

They also have to decide how to handle those Hadiths that are clearly at variance with Koranic teaching, and how to deal with the conservative, unquestioning mindset that PAS has inculcated in many of its followers over the past 30 years. PAS has managed to make commitment to Hudud the main yardstick to measure the “Islamicity” of a party, an NGO or a person! This has to be addressed by Amanah. At the same time they have to define their position with regard to various neoliberal initiatives being taken by the UMNO-BN government. Last but not least, they have to negotiate the difficult terrain of multiracial politics.

Amanah has to build its base and that can be done if they go to the ground, engage in the problems of the ordinary people while at the same time promoting democracy within their party. Their membership has to understand the dialectic



Pakatan Harapan – Formed a little too hastily?

process where one is sometimes a leader and at other times a follower depending on the situation and activity. Amanah should consciously differentiate itself from PAS by pursuing a more open and democratic style of leadership, a more open and discursive interpretation of Islam where members are encouraged to ask questions and discuss, and by developing effective programmes that address the social and economic problems of the people. If not, it will be following in the steps of other splinter political groups that faded away within a few years of being set up.

Amanah should also venture into new areas of knowledge such as quantum physics, which is a bridge between science and religion, find the balance between the secular and the spiritual, between reality and illusion, and between reform (Islah) and a more fundamental renaissance of religion (Tajdid). They must remain clear that infusing Islamic values into society must be based on working together with all without any element of coercion or oppression.

The Left would have no

difficulty working with Amanah if that party develops a brand of Islam infused with the Islamic values of justice and welfare to the poor. It would help if Amanah comes to realize that it is not possible to build a just society within the framework of capitalism, which is an economic system based on selfishness, greed and exploitation of the weak and the environment! Amanah has to work towards an economic system that is based on the solidarity of humankind.

The strength of a political party depends on how it is able to integrate itself with the masses. The masses are our source of inspiration and we should open our hearts and minds so that we can learn from their experience while they too increase their knowledge, capabilities and confidence, such that we can, together with them, build a society that is just, humane and harmonious.

Mohd Nasir Hashim is PSM Chairman. The above is excerpted from a paper presented at the Socialism 2015 conference that was organized by PSM in Kuala Lumpur in November 2015.

Pakatan Harapan: Challenges ahead

S. Arutchelvan

AFTER the demise of Pakatan Rakyat and the withdrawal of PAS, a new party, Gerakan Harapan Baru (GHB),¹ has emerged which is being touted as a remedy for the problems that exist today. If we follow DAP's script, GHB will join DAP and PKR to form a new alliance to take over from Pakatan Rakyat. The proposal for a new coalition received a boost when Anwar Ibrahim from Sungai Buloh prison reportedly gave the green light through his lawyer.

This situation has resulted in PAS being marginalized within the opposition. But a party as big as PAS, which has been around since before Independence, cannot be left out of the equation just like that, not if we are serious about displacing the BN from Putrajaya. Several of the personalities coming together to form GHB are of course our old comrades-in-arms. We have stood together on many occasions on issues affecting the people. The GHB faction appears to be more in favour of a pluralistic multi-ethnic state in comparison to the PAS they have split off from. Despite this, it would be a costly mistake to treat the whole of PAS as an "enemy" even if we have serious misgiv-

ings about the policies and methods of working of the current top leadership of PAS.

The regime of Najib Razak is shaky. There is lot of unhappiness within UMNO itself with the manner the Prime Minister has handled the 1MDB issue and this led to a mini-coup pulled off by the PM to consolidate his position – the Deputy PM and the Attorney-General were both axed, the parliamentary Public Accounts Committee disbanded and the Malaysian Anti-Corruption Commission chastised. Despite all this, many within the ruling coalition still feel that Najib, with all his baggage, shouldn't be the PM leading the BN into the 14th General Elections due by 2018. The question of succession however remains a thorny issue as Muhyiddin Yassin, the recently sacked Deputy PM, remains the Deputy President of UMNO and therefore the person next in line if Najib steps down now.

This would appear to be the most opportune time for regime change, but unfortunately the opposition is so weak that some people are even looking to Tun Dr Mahathir Mohamad as the hero to save the country!

But what level of change do we really need in Malaysia?

Is the ABU position of "Anything But UMNO" sufficient? To resolve the BN's political problems, they need a change of leader. To partially solve the problem of mismanagement of the country, we need a new coalition. But to solve the woes of the people, we need a new system. So what is it that we should be working for at this point in time?

Two key issues

There are two sets of issues that have to be addressed by any opposition coalition. The first is how to solve the economic problems that our people are burdened with. The second comprises issues related to language, culture and religion.

The socio-economic problems that the Malaysian *marhaen* face derive from an economic system that is conditioned by neoliberal capitalism. This system favours the interests of investors, keeps wages down through massive importation of foreign labour, glorifies privatization, promotes a regressive tax like the GST, devastates the environment and is predisposed to agreeing to international treaties such as the TPPA. Unfortunately both the

BN and the major opposition parties tend to accept the neo-liberal vision of the world (or aspects of it) as the only possible one.

The Pakatan Rakyat stance with regard to neoliberal capitalism has been contradictory. For example, while there are some Pakatan politicians criticizing the TPPA, several other Pakatan leaders are prepared to accept the agreement because they think it will help Malaysia to prosper and help curb some of the excesses of the NEP and because they want to be friendly with the United States and international capitalists.

On the issue of the minimum wage, Lim Guan Eng initially proposed that foreign workers be exempted from minimum wage requirements and be paid lower wages. Couldn't he see that if his proposal were to be implemented, it would seriously aggravate unemployment among the youth in our B40 (bottom 40%) families?

Some Pakatan state governments are promoting health tourism although such a move weakens the public hospitals which cater to the medical needs of the majority of our population.

And what about environmental policies? The old Pakatan Rakyat was not able to persuade PAS not to devastate the mountain ranges in the interior of Kelantan. What is the stance of the proposed new coalition on nuclear reactors?

These issues need to be answered because we do not want the new coalition to mud-

dle along with the same contradictions and weaknesses we have seen before in Pakatan Rakyat.

The other set of issues that have not been resolved despite 58 years of Independence are issues related to ethnicity (language, education, scholarships) and religion (the Hudud legislation, the creation of an Islamic nation, religious conversion, the use of the term "Allah" and so on). It is no use chanting slogans about a new hope if basic and fundamental issues involving race and religion are not addressed. Pakatan 2.0 cannot take the easy way out by saying simply that they "agree to disagree". If crucial issues are swept under the carpet, they will be used at an opportune time by the BN to break up the new coalition, as happened over the past 18 months where UMNO used the Hudud carrot to entice some elements within PAS, creating the tensions that led to the meltdown of the Pakatan Rakyat coalition.

Coalition politics

The BN coalition can only be brought down by a coalition of opposition parties. It would be impossible for any party, whether DAP, PAS, PKR or GHB, to form the national government on its own. This is the political reality in Malaysia, and it has been so for the past 60 years. Previous opposition leaders understood this and they attempted to form multi-party coalitions (see table).

All these coalitions – both the class-based coalitions such

as PUTERA-AMCJA and the Socialist Front, as well as the populist coalitions such as Gagasan Rakyat, Barisan Alternatif and Pakatan Rakyat – had to handle contentious issues relating to nationhood, ethnic rights and religion. The class-based coalitions generally did better than the populist coalitions.

The PUTERA-AMCJA coalition had to deal with the issues of citizenship and the term for nationality. On the question of citizenship, AMCJA argued for *jus soli* but PUTERA had problems accepting it. On the issue of the term for citizenship, PUTERA proposed "Melayu" for all citizens while AMCJA proposed the name "Malayan". However, Burhanuddin Helmy, Tan Cheng Lock and Ahmad Boestamam managed to reach a compromise whereby citizenship was open to all, provided that all accept "Melayu" as the term for citizenship. With compromise and tolerance, they managed to resolve the ethnic issue. Their solution was not to divide the society into two factions but to seek common ground for unity.

If PUTERA-AMCJA had not been crushed by the British in the Emergency of 1948 that ultimately allowed the UMNO-MCA-MIC coalition to govern, we might now be standing under the People's Constitution and no longer considering ourselves as Malays, Chinese, Indians and others because we would all have one common identity. But colonial interests pushed us down a different, more ethnic-centred route of

Opposition coalitions in Malaya/Malaysia				
Period	Coalition	Common ground	Achievements	Among the reasons for the dissolution
1945-48	PUTERA + AMCJA (combination of more than 100 organizations)	Protest against the Tanah Melayu Federation 1948	Hartal – 1947 Malay citizenship	i. Emergency ii. Massive repression
1957-66	Socialist Front (Parti Rakyat + Labour Party)	To create a just democratic socialist nation	Created many local governments and won a few parliamentary seats	i. Severe repression ii. The issue of official language
1990s	Gagasan Rakyat (S46 + DAP + PRM + IPF + PBS) Angkatan Perpaduan Ummah (PAS + S46 + Hamim)	Crisis in UMNO + economic crisis	Kelantan fell to PAS	i. S46 reconciled with UMNO ii. Vernacular schools and Merdeka University
1999	Barisan Alternatif (PAS + DAP + PRM + PKN)	Mahathir-Anwar conflict, Reformasi	UMNO defeated in Kelantan and Terengganu	Islamic state issue
2008-15	Pakatan Rakyat (PAS + DAP + PKR)	People's hope in GE 12	Governed five states. BN lost 2/3 majority	Hudud issue

building a new nation, such that now we find our society even more divided ethnically than we were at Independence!

The Socialist Front (SF) had to deal with the issues of language and culture which in 1965 led to serious disagreements between the largely Malay-based Parti Rakyat and the urban Chinese-based Labour Party. This coalition broke up in 1966 as a result. But we should not downplay the role that severe repression played in the break-up of this coalition. Hundreds of senior coalition leaders were arrested and detained under the ISA in the 1960s. The absence of the moderating influence of more seasoned leaders was an important cause of the break-up. The SF

already had a formula to handle the language and culture issue – they had proposed a common language (Malay) to unite the working people of all races and to build a common popular culture that had its roots in the struggles of the oppressed sectors for justice. The SF believed that dividing and mobilizing people on the basis of race is wrong strategy. If it had not been incapacitated by the detention of hundreds of its senior cadres, it is quite probable that the SF would have been able to resolve the ethnic issues that it was faced with.

The populist coalitions have been more susceptible to tensions arising due to ethnicity and religion. Gagasan Rakyat, Barisan Alternatif and

Pakatan Rakyat all floundered because of race and religion despite not facing the degree of repression that the class-based coalitions experienced. Perhaps this is because the parties comprising the populist coalitions are themselves guilty of playing the ethnic and/or religious card to get support in their respective areas of influence. As a result, they are not in a position (or frame of mind) to step back and find ways to defuse the tensions.

History teaches us that the opposition has been split time and again on the issues of language, vernacular schools, Hudud and the Islamic state. If Pakatan 2.0 does not address these issues but just tries to win on popular sentiment by high-

lighting issues such as 1MDB and Rosmah's ring, then it too will suffer the same fate.

Some ideas for Pakatan 2.0²

1. Pakatan 2.0 should recognize that drawing up a comprehensive plan to improve the lot of the bottom 60% of the Malaysian population should be the major thrust of their programme. To arrive at such a plan, Pakatan 2.0 must look at the impact of the 5.5 million foreign workers flooding the Malaysian labour market, the deleterious effects of contractualization of labour, the impact of privatization on the cost of living, the erosion of social security, and the underperformance of Bumiputras in the SME sector. It is very important to get the analysis right, for effective and realistic policies can only emerge if the analysis is correct. It would definitely be in the long-term interest of Pakatan 2.0 to engage the rest of society in the attempt to define more clearly the sources of the problems affecting the lower 60% of the Malaysian population.

2. Pakatan 2.0 should recognize that many non-Muslims are very apprehensive of efforts to "Islamicize" Malaysian society. Islamophobia fanned by the West is but one factor. The failure of existing Islamic institutions in Malaysia to respect and protect non-Muslims is an even more important factor, but it is not being addressed. The human rights abuses carried out in other countries by groups calling themselves "Islamic"

are yet another factor. Pakatan 2.0 should make a special effort to delineate more clearly the apprehensions of the non-Muslims and the reasons for these. At the same time, it should be brave enough to explain to the Muslim community that pushing ahead with an "Islamization" programme despite the fears of the non-Muslims is not "Islamic" at all but is merely the politicization of Islam for narrow party interests.

3. Promote genuine engagement with smaller political parties and civil society groups. Pakatan 2.0 needs the help of such groups in order to displace the BN. GHB have been saying that the new coalition, Pakatan 2.0, will be a coalition of political parties and NGOs. Some of the NGOs being mentioned in this context are BERSIH, IKRAM, ABIM and a few others. However, so far there has been no serious discussion with these NGOs. The engagement has to be genuine. Calling for a meeting to endorse decisions that have already been made by senior leaders of Pakatan 2.0 isn't sufficient. Pakatan 2.0 has to call for the input of these civil society groups. Inclusivity will be judged by how sincerely it is practised, not how well it is enunciated!

4. Develop a principled position with regard to political funding. Electoral politics is expensive. Even party elections consume millions of ringgit. At present, big business is a major funder, but that means that political parties then become beholden to big busi-

ness. This undermines democracy. The other major source of funds for political parties currently is over-priced government contracts that are recycled back to party coffers as donations. This is corruption pure and simple! Pakatan 2.0 should invite ideas from civil society on how to tackle this difficult issue. Couldn't every voter be allocated RM5 per year that will be given annually to the political party that that voter indicates in a separate ballot paper that he/she marks when voting in the general elections?

If Pakatan 2.0 could go back to the grassroots to develop a consensus on the four issues outlined above, it would emerge much stronger and be seen by the public as occupying the higher moral ground. Otherwise it will suffer the same fate as the populist opposition coalitions that have come before – splits due to internal strife (often precipitated by BN-UMNO) – and the people's heartfelt desire for a better government will again be dashed!

These are the challenges facing Gerakan Harapan Baru and Pakatan 2.0. A new hope must have the courage to face the old problems so that it can resolve them.

S. Arutchelvan is a PSM Central Committee member. The above was translated by Harris Nasril from the original article in Malay, "Harapan Baru, masalah lama".

Notes

- ¹ Gerakan Harapan Baru has since consolidated itself as Parti Amanah Negara (Amanah).
- ² Pakatan 2.0 has named itself Pakatan Harapan.

Indonesia: Remembering 30 September 1965

Choo Chon Kai and Cecilia

FIFTY years ago, on 30 September 1965, when there were rumours about a planned coup against President Sukarno, a “counter-coup” was staged, where six generals, including General Ahmad Yani, the Commander of the Indonesian Army, were kidnapped and killed.

General Suharto immediately mobilized the army under his command to take over Jakarta and claimed that he had defeated the “coup”. Suharto and his men then started a massive propaganda campaign pointing fingers at the Communist Party of Indonesia (PKI), alleging that the PKI was behind the “30 September Movement” (abbreviated as G30S). The army tarnished the PKI’s image by claiming the bodies were mutilated, even though there was never any forensic evidence of mutilation.

This culminated in the mass murder of PKI members and left-wing sympathizers across Indonesia, and the humiliating removal of Sukarno



The Communist Party of Indonesia logo.

and his house arrest, and finally the ascension of Suharto to be the second President of Indonesia. This marked the beginning of the 32-year repressive “New Order” regime.

The G30S was used as the pretext by Suharto to stage the military coup and unleash a campaign of terror and bloody massacre which took the lives of between 500,000 and 1 million people, allegedly for their involvement in the PKI. The Suharto regime later funded a film telling the “official side” of the G30S story and often aired it on state television from 1984 until his downfall in 1998,

with the intention to legitimize Suharto’s takeover of power. The Cold War taboo against communism still lingers until this day in Indonesia, and there are still many unanswered questions about the G30S event.

There is evidence that reveals that the G30S and the Suharto-led military coup as well as the bloody anti-communist mass killings were supported by the Central Intelligence Agency (CIA)

of the United States. The US government had been uneasy with Sukarno for his close ties with the Soviet Union and China, as well as his support for the PKI. The US National Security Council had adopted a series of policy documents as early as 1953 calling for “appropriate action, in collaboration with other friendly countries, to prevent permanent communist control” of Indonesia. The CIA poured millions of dollars in support of right-wing groups and anti-communist army officers in influencing the events of 1965. The US government, like the New Order re-



PKI leaders.

gime, definitely has blood on its hands in relation to the 1965-66 massacre across the country.

Sukarno, the leading figure of Indonesia's struggle for independence, had tried to develop the new nation along an alternative path by converging forces across the political spectrum through the concept of NASAKOM (nationalism, religion and communism), intro-



General Suharto.



Detention of suspected PKI members and sympathizers.

ducing agrarian reforms and embarking on an effort to build a non-aligned Third World anti-imperialist movement through the Bandung process. Such moves were perceived as a serious threat to the interests of Western imperialist powers.

It has been 17 years since the downfall of the Suharto regime, and in 2014 Indonesians for the first time elected a President, Joko Widodo (widely known as Jokowi), who is not associated with

the military or traditional elites. Yet, the menace of the New Order still haunts the country and its democratization process. For example, remnants of the New Order rallied behind an opponent of Jokowi during the 2014 presidential election.

There is still a strong unwillingness on the part of the Indonesian government to look into the events of 1965-66. There is a need to revive the

Truth and Reconciliation Commission to establish the true story behind the G30S events and the anti-communist massacre. There is a need to revisit and re-establish an objective narrative of this bloody history in order to advance the democratization process in the country. There can be no actual democratization for Indonesia as long as there is no genuine effort to uncover the truth behind the G30S and the years of anti-communist terror.

A roadmap for the 21st century?

IN early October, Bhaskar Sunkara, publisher of *Jacobin* magazine, spoke to **Vivek Chibber**, a professor of sociology at New York University, about the lessons of past periods of state-led development and what kind of movements could extract real concessions from capital today.

There's a widely held view among progressives that the neoliberal era has not been a success in the South. And with it, a positive assessment of the era of state-led development. What should we think about the earlier period, when countries took up developmentalism and planning?

By and large, the “developmental era” was an impressive success, especially if you compare it with other eras of industrialization. By historical standards, this is true of all countries that undertook state-led development – countries in South America, South Asia, parts of the Middle East, and even Sub-Saharan Africa after decolonization. It was a remarkable improvement on the first half of the 20th century when all these countries were stagnant. But it was uneven.



Evo Morales, Bolivia's President.

Some countries in this era developed spectacularly, at record rates, mostly those in Northeast Asia. Other countries were much less impressive, such as the middle-income countries like Brazil, India, Egypt, Mexico – impressive, but not nearly as much.

Why the different outcomes?

There were two determinants of whether or not a country fell into the more successful or the less successful camp. One was that countries that imposed land reform domestically made things a lot easier for themselves because the redistribution of land equalized income and it also raised incomes in the countryside, which created a domestic market for industry. And it also enormously reduced the power of landed classes, which had always been

a problem for development. The second issue, which is perhaps less known, is that the countries that did well were ones which used state power and state planning better than the others. And the essence of that was that planning in the postwar era in all these countries was a double-sided process. Governments used public money, tax money, to help out local businesses, and in exchange for that, demanded that these businesses invest the money in ways that were growth-enhancing, which was not necessarily always the most profit-enhancing thing to do.

The problem for governments was that the thing that was best for national development wasn't always the thing that could fill up the pockets of local industrialists the fastest. So the states that did best were not only the ones that were able to subsidize local industry, but were able to make sure that industry used the money in ways that were conducive to national economic growth. That was in Northeast Asia – specifically South Korea and Taiwan. In other countries, like in India,

Turkey and Brazil, they weren't able to do the second task nearly as well.

Why were some states better able to steer capital? Surely, their domestic capitalists weren't just of nicer temperament.

Well, this is where, for the Left, it's been a learning experience. Throughout the 1940s and 1950s there was an assumption among Marxists that local industrialists would be a natural partner for rapid industrialization. And the reason for that was obvious – rapid industrialization was supposed to help the local capitalist class grow. So they assumed there wouldn't be any kind of resistance to national development plans; if there was going to be resistance it would come from only the landed classes.

As it turned out, the landed classes were not always especially hostile to planning, mostly because they had already lost a lot of political power by then anyway – there wasn't much they could do. It was the local capitalist class that ended up being hostile. The reason for this is that although lots of goodies and subsidies were granted to capitalists (they were very happy about this), at the same time they were expected to reciprocate by giving up some powers over investment. This is where the capitalist classes drew the line and they fought against relinquishing unilateral power over investment. States like India and Turkey had to scale back their ambitions as to how much power they would have over capi-

talists because they were unable to bring these capitalists into line and, in the end, these were bourgeois states. In Korea and Taiwan, they were much better able to harness capitalists to this agenda.

I guess this belies the notion that there was this national bourgeoisie that was in any way inherently progressive, or was a natural partner of the working class.

It is true that even today, in the orthodox Communist parties, the mainstream Communist parties in the developing world, there's still this idea that the vanguard of national economic development is going to be the domestic bourgeoisie. I think this was a very flawed analysis, and it remains so now. It imputes to capitalists a motive and an interest that they've never had. Capitalists have always and everywhere had only one interest, which is making profits. Now, in certain conditions, profit-making becomes consistent with overall national economic development, but only under certain conditions. It's very possible for capitalists to make great profits for themselves, like, for example, in industrial zones that remain enclaves unconnected to the rest of the economy. Also, it's possible for them to make profits by simply ripping off the state and ripping off public funds without really engaging in productive investment.

Where does the faith in the progressive nature of these postcolonial capitalists and the idea that they could be trusted to achieve development outcomes come from?

This is kind of a hangover from the way in which the Russian Communist Party propagated a particular view after the 1920s about the national bourgeoisie being necessarily the senior partner, because the "bourgeois democratic" stage of the revolution still needed to be completed. And this filtered across the intellectual left of the 1940s and 50s and I think it was a mistaken notion then, and it's a mistaken notion now. What capitalists are interested in are profits and maintaining political power over the classes that work for them. Where and when that turns into national development is quite a separate question and we should not equate the two.

That said, do you see the return to some type of developmentalism being in the cards?

In order to answer that question, it's important to first ask the question, "Why did developmentalism come to an end?" The popular view out there among many people on the Left is that the West destroyed it, and that's partially true, but only true in the sense that after the 1970s, economic conditions globally shifted in such a way, under the influence of the West, that maintaining national economic planning wasn't really feasible anymore.

What destroyed developmentalism wasn't the West coming in and imposing something else, it was that the capitalist class that had demanded developmentalism, or in some way had been important to it, lost interest in it by the 1980s.

Now, if that's why it got done away with, the answer to your first question is now fairly simple. It amounts to asking, "Can we imagine a situation in which capitalists in countries like Brazil, or India, or Egypt, Peru, Chile, would want to go back to developmentalism?" And the answer is no, because there are too many sections of the domestic capitalist class that are too wedded to a globalizing agenda for them to go back to putting up with all those regulations and controls that developmentalism entailed. So I don't see a return to developmentalism of that kind.

How about a new form of developmentalism, some new plan for the Global South even within capitalism?

Developmentalism that rested on some kind of partnership with national capitalists is, I think, gone forever. There's no indication that it's coming back. But if the question is could we have developmentalism of another kind, by which we mean some kind of growth-oriented agenda in which the state plays an important role, there I think the answer is perhaps, but only under an entirely new political partnership that's going to be a partnership between working people and the state. So it'll have to be some kind of (for lack of a better term) social-democratic growth agenda or labour-led development agenda. And I think for that the conditions are actually not all that forbidding.

It's not just that prospects for developmentalism of the old kind are bleak – it's not really

something that we should want, either. That whole era was one in which the ruling partnership was between the state and industrial capitalists, where there was some space for labour to organize. Nevertheless, it rested on a significant containment of labour's political power, either through military dictatorships – and we shouldn't forget that developmental states were often times quite authoritarian – or through some kind of handcuffing of the labour movement through corporatism. Through that process labour often became dependent on state support and state largesse. So that ended up having very negative political consequences and we shouldn't want that.

If poorer countries do manage to go through development along the path you describe, would their trajectory be basically the same as European late developers?

I think it's going to look very different. The path that European late developers took was one in which they transformed their agriculture. As a result, peasants, who either had left their home regions or had been thrown out of them, came to cities and were sucked up into industry. What is happening now, and what has been happening for the past 30 years, is something interesting. First of all, the late-developing countries today, which is 100 years after the initial generation, were already different in that in these countries the service sector and the informal sector have played a much larger role in the growth

process than it did in the earlier generation of late developers, where industry rapidly expanded to become the most vital sector of the economy.

Something else is happening now, industry is actually shrinking in terms of the employment that it commands in the economy – it's the informal sector that's now getting bigger and bigger. This makes their developmental path much different from the earlier generation, and there's no reason to think that at some point it will veer back towards industrialization, so you're going to get growth, but it's going to be growth of a very different kind. One corollary to this: in some of the countries, like India, the ballooning of the informal sector is bound up with a persistence of agriculture and peasantry because what's happening is that employment growth in manufacturing has been very slow, so instead of seeing urban jobs as a magnet for themselves, for which they will leave their villages and come to the cities, what peasants and rural proletarians have learned is that urban employment is insecure and unreliable. What they end up doing is, instead of leaving their land to come to the cities, they hold onto small patches of land and then go back and forth between there and the cities.

This also means that the political consequences of development are going to be different, too. One consequence of rapid industrialization was bringing huge numbers of former peasants together into

new factories where they rapidly got absorbed into trade unions and were quickly radicalized. But now since workers don't stick around in the factory long enough to be politicized, to be drawn into organizations, it means that economic development and urbanization isn't bringing with it a kind of radicalized working class the way you saw in the past. What you're getting is an itinerant working class, which is much harder to organize. This means that for radicals on the Left in these countries, organizing strategies are also going to have to be very different. Looking at past experiences is important to put the current era into perspective, but we shouldn't expect it to be a blueprint for what's going to come.

This would seem to be a perfect environment for the emergence of some type of populism that might not necessarily be progressive. How do leftists make sure these articulations are done in a broader class framework?

It's going to be hard. What is probably not going to work is a strategy of organizing these workers at the workplace and then negotiating with employers shop by shop. I think it's going to have to be a combination of using the leverage that the formal sector of the industrial economy has; workers in the formal sector, although they're small in number, they account for a disproportionate part of the domestic product, giving them a lot of economic leverage. Using that leverage,

combined with a legal apparatus which extends protections and privileges to informal sector workers through rule of law, rather than through workplace negotiations, is vital. This extends to informal workers a whole host of services and goods through the state instead of having them come negotiate it through higher wages and employer-based benefits like health care.

This means using the power of workers where you can organize them and have an expansive welfare state taking more and more goods out of the commodity economy, providing them as public goods, and thereby increasing the leverage of workers in the informal sector so that they are not as terrified constantly of losing their jobs. This will enable them to then negotiate with some degree of effectiveness against their employers.

So organize where you do have the most working-class strength and then try to push for demands that will create the conditions for a stronger social base for socialist politics?

Yes, it will shore up that base and it will be the engine that brings workers from the informal sector into progressive and left politics, rather than being a mass of potentially recruitable people into right-wing politics, which is quite often what can happen when people are desperate. I can tell you that in India, a lot of what are called religious riots are actually people who are recruited into right-wing religious organizations on

a monetary basis because they need the money, and that's a sign of these right-wing organizations preying on their desperation. But we have to be humble here – the truth is that we haven't made much progress crafting a strategy for these ends yet.

This calls for a project driven by workers – something radically different than many of the postcolonial projects of the 20th century. And yet, there is this kind of nostalgia of academics like Vijay Prashad who pose that those newly independent nations formed a new bloc with some sort of emancipatory potential.

I think that's a distorted view of the era. There's something to it in that they did try to wrest some degree of autonomy for developing countries in the global economy. Nevertheless, we have to be careful about calling it a "project" as Prashad does. First of all, this Non-Aligned Movement, the effort to bring together developing countries through things like the Bandung Conference, was essentially an elite project. It was really something that catered to particular designs that local industrialists had and went down to some parts of the intelligentsia and the middle classes. It wasn't something that resonated with most workers and peasants, so to characterize it as a movement is misleading. Secondly, because of its narrow base, it was something that was constrained by the visions of the domestic elites. And so it was right from

the start very limited in its ability to project an alternative project to what postwar capitalism globally was representing.

I think this view rests on a very romanticized view of the national bourgeoisie. It attributes to it a broader vision and progressive intention that it didn't have. What it was trying to do was to carve out a bigger space for its interests in the global economy, not anything that we might call national interests, much less the interests of working people.

There are others who seem to even resist the idea that Brazilian capitalists can be just as bad as American capitalists and Indian capitalists just as bad as Canadian ones.

I think the problem goes even deeper. On the intellectual left, in the United States over the past 15 years, there's a very pronounced discomfort in thinking in class terms at all. And this kind of romanticism about the Third World and the Third World nations is actually not the first time we've seen it. It's part of an inclination, a desire, to think of the world in racial terms and national terms rather than in class terms – in terms of nations of darker people in the South versus the white North, rather than acknowledging and recognizing that those nations themselves are racked with class divisions where their ruling classes are as vicious as the ones in the North.

And that's why you get narratives where people like Nehru are champions of progress.

Yes, I've seen Nehru and Nasser represented as visionaries of social justice and national self-determination. Nehru, under whom India unfolded one of the longest military occupations of the postwar era, in the northeast states of India; Nehru, who went back on every promise he made to the Kashmiris for local autonomy, and whose daughter and grandson imposed a brutal military occupation there; Nasser, who was virulently and unrelentingly anti-communist and hostile to the Left, and had expansionist plans of his own in the Middle East.

These are basically representatives of local ruling classes who had some progressive thrusts, not because they had a different vision, but because in all these countries, workers and peasants had some real strength, which created a more forward-looking ethos within the ruling classes for a brief period, which was reflected, and had echoes, in conferences like Bandung. But we must understand that the agenda of people like these leaders was to contain and to roll back the power of the labouring classes, not to represent them in some way. And nostalgia towards that is, I think, entirely misplaced.

But the emphasis of that period on growth and progress isn't entirely unquestioned now on the Left.

I'm one of the people who say that growth is a good thing, not a bad thing. In countries that are still very poor, it's hard to imagine a serious egal-

itarian agenda which doesn't take income growth as part of its premise. But the other side of it along with income growth has to be not just constraining capital, but strategically taking assets away from capital where it's politically and economically necessary, and then in those sectors that allow private capital to continue to have power over investment, force it to negotiate with the organizations representing ordinary citizens in some way. And then finally, to take as much of the universe of economic and produced goods out of the private sector as much as possible to turn them into public goods.

And this perspective isn't counterposed to the idea of going beyond capitalism in the future?

It appears that a ruptural break with capitalism is probably not on the agenda in most parts of the world, so short of that, you have to come up with a bridge, which recognizes that you have to work within capitalism but nevertheless tries to tame capitalism and make it less brutal for working people. I think the first step towards that is to see that the fundamental problem these days is not North versus South, the fundamental problem is that in any country where working people try to raise their voice, the first power they come up against and they have to confront is their own ruling classes.

The above is reproduced from Jacobin magazine (Issue 19, Fall 2015, www.jacobinmag.com).

The neoliberal assault on the Swedish welfare system

K. Simon



SWEDEN is well known for its welfare system, not only among the Nordic countries but around the world. It has been described as a “cradle to grave” welfare system based on high taxes and is currently executed by both the public sector as well as private organizations.

The welfare system is not new and has a long tradition where it was preceded by “poor relief” programmes organized by the Church of Sweden. This became mandatory under the Civil Code of 1734. The National Pension Act was passed as early as 1913, and in 1934, private unemployment societies were regulated and subsidized.

Among the features of the Swedish welfare system are:

i. Sweden’s entire population has equal access to the public health care services. The Swedish health care system

is publicly funded and run by the county councils. It is financed primarily through taxes levied by county councils and municipalities. The health care providers of the public system are generally owned by the county councils, although management

of the hospitals is often undertaken by private companies selected by public tender.

ii. Elderly care in Sweden is the responsibility of the local municipalities. There are both retirement homes as well as home care.

iii. Labour market policies fall under the responsibility of the Ministry of Employment whose ambit includes unemployment benefits, activation benefits, employment services, employment programmes, job and development guarantees, starter jobs and the European Social Fund.

iv. Education, from pre-school to adult education, is the responsibility of the Ministry of Education and Research.

v. Swedish social security is mainly handled by the Swedish Social Insurance Agency and encompasses many benefits including:

- Monetary support for children up to 16 (support also available for older students)
- Paid leave to take care of children for up to 480 days per child. It also includes special benefits to care for sick and disabled children
- Housing allowances for anyone who otherwise can’t afford housing
- Benefits if one is ill or disabled and can’t work
- Benefits for unemployed (time limited to 300 days, five days a week, which means 60 weeks)
- Benefits for those who have retired
- Benefits for anyone (and their children) who otherwise can’t get a reasonable standard of living. This is given out purely on a needs basis and handled by each municipality’s social service.

However, Sweden is facing challenges from neoliberal influences. The welfare system started to erode after the economic crisis of the early 1990s. The government has reduced entitlements and cut public spending. In addition, the private sector has been able to involve itself in almost every level of the welfare system. All public contracts are subject to

competitive tendering and most new clinics and hospitals are built with private funds. Communal clinics, nursing homes and schools compete with private firms for pupils and patients. Almost 100 billion kronor from the welfare budget goes to private welfare operators, overwhelmingly owned by private equity funds.

According to Petter Nilsson of Sweden's Left Party, "When the Social Democrats turned rightwards in 1986 or so, a lot of the developments that had taken place in other European countries came to Sweden in a few swift blows. In just a few years, we had huge increases in class differences and this affected our universal welfare system....

"This is actually what the right wing normally does when it comes to power: they cut subsidies so that the quality of, for example, public schools drops, and then they propose private schools. People start saying, 'Well, if public schools are so bad, then we have to have a private alternative for those who can afford it.' This was an ideological attack and an explicit strategy to undermine trust in the welfare system."

There are a lot of analyses regarding what is happening in Sweden. Some argue that the welfare system as a road to socialism cannot work any longer. Others contend that the softer version of capitalism that placed more importance on social equality has failed.

According to Adam Bott, writing for a socialist journal,



High-quality health care for all.

the Swedish right wing had become deeply anxious by the late 1970s. They saw how their counterparts abroad were rolling back the state and breaking the back of organized labour. They had been sitting still while the Social Democrats and the trade unions steered the country, as they saw it, towards ruin.

The adoption of the employee funds programme as trade union policy in 1976 marked the high point of Sweden's leftward tide. The original idea was that a fixed portion of corporate profits would be converted into share issues to union-controlled funds. It was supposed to be a way for labour to counterbalance the power of big capital, in a country with an extraordinarily high concentration of wealth.

The Swedish employers' confederation (SAF) set about building a powerful public relations machine. Opposition to the employee funds was to be the rallying point for a new free-market coalition. The SAF published a leaflet titled "A free economy or fund-socialism". However improbable, the spectre of a "Swedish road to socialism", with the employee fund as the first step in the creation of a sort of Nordic version

of East Germany, had a powerful impact, in particular among the self-employed and small business owners. In October 1983, tens of thousands took part in a protest march through Stockholm. The SAF chartered buses, trains and even flights to bring participants from across the country. They failed to prevent the introduction of the employee funds, but succeeded in building a new base for the right.

SAF continued their work and set up a series of think-tanks and campaigning organizations. The free-market Alternative for Sweden (MAS) was established in 1982 with funding from the SAF and the Heritage Foundation from the US and continued its propaganda for a system based on the "free market". Although its attempts were not so successful in the beginning, due to hesitancy of Swedes to let private entities look after their welfare, it slowly made some progress. Among the political class, including many Social Democrats, the privatization agenda gained ground in the guise of what came to be called "new public management". Put simply, the idea was to create an artificial market within the pub-

lic sector to improve the efficiency of the public sector. Local authorities began to experiment with this concept.

Although the first shift was piecemeal and slow, the explosion finally arrived with the election of the Moderate Party-led conservative government in 1991. On 4 October, the 10th anniversary of the march against the employee funds, Prime Minister Carl Bildt declared “the age of collectivism is over”. The new administration immediately launched a programme of radical liberalization, lowered income tax, cut welfare and social security expenditure and privatized utilities and publicly owned industries. The employee funds were dissolved. Legal restrictions on private involvement in welfare were repealed and a voucher system introduced for primary and secondary schools.

The welfare system continued to face attacks in the following decades. In 2006, conservative Prime Minister Fredrik Reinfeldt’s government accelerated the pace of reform, tightening the criteria for unemployment benefits and sick pay while lowering taxes. Income tax in Sweden is now lower than in France, Belgium and Denmark, and public spending as a share of GDP has declined from a record 71.0% in 1993 to 53.3% in 2013.

It took some time for Swedes to realize that their welfare system was being dismantled in stages. Poor service and a scandal at a privately run elderly care home sparked a backlash against the privatiza-



Child care centre.

tion agenda. A majority of people in Sweden have said that they are willing to pay a higher level of taxes to fund higher levels of welfare. Today they are paying about 30% of their income as tax. So public expectation of welfare programmes is still quite high. This situation became an opportunity for the political parties in the 2014 general elections.

The Social Democrat Party returned to power in 2014 and formed a coalition government with the Left Party and the Greens as junior partners. The government led by the Social Democrat Party has, however, maintained the previous government’s policies on spending and tax. What they did was just to halt further privatizations but they did not reverse what had already happened. Like New Labour in Britain, they are keen to prove themselves as responsible “modernizers”.

Sweden is now a welfare state in disarray – and voices

both domestic and international have argued that the Swedish model is more and more a part of the problem rather than the solution. However, the real problem lies with the neoliberal agenda and the push to privatize the provision of the basic needs of the people. The Swedish welfare programme is still one of the best in the world but is facing serious attacks from the right wing. The battle to protect the welfare system is still ongoing.

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The politics of dismissal

Maryam Lee

THERE is an inexplicable anger towards my parents' generation that I have endured for many years without being able to explain fully, until recently.

Just two weekends ago I had the fortune to get in touch with my parents' parents' generation, the ones who were alive during the crackdown on Mahathir's dissenters. More specifically, the dissenters who were detained without trial for at least a year during Operation Lalang in October 1987, under the pretences of preventing racial riots.

All I knew before then was that my parents' generation never rebelled against a clearly corrupt government that stole billions in taxpayers' money, not to mention jailing the people who stood in their way. In my anger, I blamed them for allowing such a system to exist, a system that robs their children of a future the parents said they were going to get.

There is much more similarity between my generation and the generation that dissented in the 1960s, than between my generation and the generation that has come to adore the Big Brother era of Mahathir Mohamad.

During his reign, my parents' generation received the



Jobs often difficult to come by.

most benefits. It was a time of rapid development and there was enough to go around. Education was accessible and mostly free, housing was affordable, people were healthy enough to work. The policies that Mahathir inherited from Tun Razak created a Malay middle class that allowed them to settle down and raise a family comfortably.

Unfortunately, that no longer holds true.

A growing number of youths from my generation, born after the 1990s, are feeling the worsening effects of neoliberal capitalism that crushes our socio-political and economic lives.

Even our closest siblings born in the late 1970s to early

1980s are not as angry as we are, for most of them were able to acquire a decent house under RM200,000 just less than 10 years ago. They also have comfortable jobs that pay better as they gain experience, although they now experience the fear of unemployment as companies start laying off people.

"Young people today have it easy," they say. Just because we have computers and mobile phones.

Talking about our problems makes us "the entitled generation", a made-up narrative for our parents' generation to dismiss our problems as "just a phase".

For a generation that had the luxury of staying comfortable at one job until retirement,

their children are “disloyal” for working at five different companies in two years because we constantly have to work out a living wage.

All these attempts at dismissing the problems of today’s youth seem to coincide with their own demand to stay in power. After all, if we can’t take care of ourselves, it only makes sense to let the parents keep having control, right?

However, as angry as I am, I have to admit that this tug-of-war between today’s youth and their parents’ generation is not only unfruitful, it further distracts the public from the even more marginalized.

Negotiating to take over

Student protests are seeing a comeback from a hiatus that ensued with the end of the Occupy movement.

Just yesterday, on 12 November, American students took their demands for free education to the streets. They took part in a rally called Million Student March and flooded social media with a vehement call to end a ballooning US\$1.2 trillion in student loan debt.

It almost looks like the 1960s again, when student revolts were triggered in protest against wars, but this time their fight is over more than just territorial borders.

Demands are getting more radical, too. It’s not enough to just make financial aid easily available anymore. Youths are demanding to get rid of student loan debts altogether, so that they can start off their



A *buku jalanan* gathering. There are more than 70 such groups in Malaysia.

working lives debt-free just like their parents did.

It is possible that we are now looking at the increasing acceptance of making real structural changes, like a barrel of fuel just waiting to be lit.

Mobilizing the same movement in Malaysia would have to rely on undoing the culture of passivity instilled from a very young age. This is why looking to our parents’ generation for guidance would be futile. Theirs was a generation that never needed to protest, so they didn’t.

In order to avoid making the same mistakes our parents did, we need to stop looking to our elders for guidance, we must look to them for lessons.

A study by Ilham Research Centre recently reported that not one political party in Malaysia could claim to have the support of young voters. Since 5.2 million out of the 13.2 million voters who turned out during GE13 were of the young bloc, Ilham Centre CEO Hisomuddin Bakar was right that the strength of a political party will rely on how much they’ve convinced young,

mostly first-time voters in the coming election.

However, on a personal note, I think it is more important to spread awareness on active political participation than just going back to vote every five years.

Grassroots engagement with the public is key to political mobility. Social media can be used akin to a guerilla movement to disseminate knowledge and make vibrant political culture mainstream.

Making political participation a part of citizenship is definitely worth pursuing.

Not only will it make governments accountable for their management of taxpayers’ money, it would return political bargaining power to the people so that our elected leaders won’t be at any better advantage than their constituents.

In short, we need to realize that only a political society can be a just society. Surely this ideal cannot be dismissed. – 13 November 2015

Maryam Lee graduated from UiTM in 2015. She is involved in Dialog Jalanan and Projek Dialog.

The Low Yat brawl

Aidila Razak

A FEW years ago I stepped into a two-bedroom low-cost flat in a suburb of greater Kuala Lumpur. I was there to interview the family of an alleged gang member who was shot dead by police the week before. He was only 16 years old. The boy lived with his parents and their several children in this flat that could not be more than 600 square feet.

Sitting across his grieving mother in the airless living room, our knees just a foot and a half apart, I asked her to recount the night her son died. She said the last time she saw the boy, he was hanging out with his friends at the void deck, as he usually does at nights. But according to his friend who returned his helmet to the boy's mother the morning after, they had gone to a cybercafé at around midnight. There, the boy met up with some people this friend didn't recognize, and he (the boy) left with them in a car.

All this while, his parents were working at a tomyam stall next to the block of flats. When he wasn't home when she got back after closing shop in the wee hours, the mother started to get worried. The next thing



Police presence at Low Yat Plaza.

she knew, her son was dead, gunned down after allegedly fleeing a robbery scene. The parents insist this is not true. Their son, shot square in the forehead, was not a criminal.

As I watched the videos of the mob of young men at Low Yat Plaza in Kuala Lumpur yelling racist remarks against the Chinese on Sunday night, I remembered this boy. If he was still alive, could he have been friends with these young men? Could he have ridden pillion with a friend, travelling 15 minutes to Bukit Bintang from the working-class flats and squatter homes of Kampung Datuk Keramat and Kampung Pandan, to yell racial epithets?

Hours after the midnight brawl in front of the Low Yat mall, US-based Malaysian journalist Kuek Ser Kuang Keng decided to do something to reverse the negativity he is see-

ing on social media. Kuek Ser uploaded a picture of his friends of different races holding a Malaysian flag in a park, and encouraged others to do the same.

"It is both a political and economic issue but painted as a racial issue, as always. Many have pointed that out. But I think the majority needs a platform to speak up.

"So far the extremists and racists have been dominating the discourse, which is not only unhealthy but may escalate the situation.

"I was thinking about a simple way that can catch attention and include everyone to join, hence the #Muhibbah #WeAreFamily campaign. Hopefully it helps to stall the agenda of the perpetrators," Kuek Ser told me.

Looking at the picture he uploaded, I saw people not unlike myself – middle-class people who most likely grew up in multiracial neighbourhoods and schools, who have friends of all races.

I thought of the boy again. I thought of the flat he grew up in, the neighbours who poked their heads out to the shared corridor to see who these people were with the vid-



Persons injured in Low Yat brawl.

eo camera, the young boys hanging around playing checkers and football at the void deck, the boy's younger brother who sat in his father's lap during the interview. If the boy had lived, would he be able to take the same picture? Will he have friends from different races to be able to put up a picture and and tag it #WeAreFamily? Who will they be, and where will he have met them?

It is common belief that what happened at Low Yat would not have happened without instigation. That these young men were whipped up into a frenzy because those instigating used the mobile phone incident and subsequent brawl to say, "Look, the Chinaman is cheating Malays again." Well, if that's the case, why isn't everyone falling for it? Why are the #WeAreFamily hashtag followers not similarly instigated?

Are they just smarter, or is it divine providence that by a stroke of luck, they were not born to a family in a Keramat Jaya flat, where an academic

study on urban poverty in Kuala Lumpur found just under 100% of respondents are Malay and poor? The study, published in the *International Journal of Ethics in Social Sciences* last year, had a sample size of 300 households, and was conducted in three parliamentary constituencies in Kuala Lumpur – Kepong, Segambut and Titiwangsa.

The researchers, Mohd Wahid Murad et al, said they chose the three constituencies because all three had dominant races. Electoral data shows Kepong is 89% Chinese, Segambut 53% Chinese and Titiwangsa 68% Malay. But what they did not expect was that among the low-income communities of these inner-city constituencies, almost all of the respondents in each area were from a single race.

In other words, one is hard-pressed to find a non-Chinese person living in the low-income areas of Jinjang or a non-Malay in a low-cost flat of Keramat or a non-Indian living

in a squatter area in Sentul. What this means is that in these areas of KL, children are growing up in struggling households located in mono-ethnic ghettos. However, strip away the ethnicity aspect of the data and you'll find that most of the families surveyed have similar characteristics.

For example, the average household income for each area surveyed is less than RM1,000 a month while at least a third of the respondents for each area have only primary schooling. Less than 1% have university degrees. But how will those growing up in Keramat Jaya know that the struggle of their families to make ends meet is the same as that of the Chinese families in Jinjang or the Indian families in Sentul Pasar?

I earnestly hope that those growing up in the low-cost flats and squatters of San Peng, Loke Yew, Pudu, Pantai Dalam, Kampung Pandan and the many, many mono-ethnic, low-income areas just like these in KL can all easily take pictures with their multiracial friends. The statistics, however, suggest that this is an act of futility.

When life is hard and you're forced to sleep on a mattress you share with your 12-year-old brother in the living room, and someone tells you this minority race is not only rolling in cash but cheating you at the same time, who would you believe? Would you believe someone familiar, or the strange, sinister other? – *Malaysiakini* (14 July 2015)

Aidila Razak is a member of the Malaysiakini team.

Latest PSM Publications



Lambaian Ranjau Kehidupan

Author: Dr. Nasir Hashim
Language: Malay
No. of Pages: 131
Price: RM25

Dunia ini disulam rapi dalam alunan pancaroba kehidupan. Disuntik dengan beraneka adegan dan berbolak-balik dalam seribu satu ragam menuju ke penghujung zaman. Setiap peristiwa dan liku kehidupan yang ditempuhi itu bergolak rancak, persis menggamit pertanyaan tanpa kesudahan. Mengundang kupasan demi kupasan tentang kewujudan atau kehadiran dirinya di bumi ini; hubungannya dengan masyarakat nan berubah-ubah; dan keprihatinannya pada lingkaran alam yang dinamik lagi menyuburkan. Kadang kala, pancaindera yang terikat pada masa, sungguh mengelirukan, merunsingkan dan membentek keyakinan terhadap tindakan yang disarankan.

– Dr. Nasir Hashim



Kaatu Perumal

Author: Dave Anthony
Language: English
No. of Pages: 86
Price: RM18

This is a historically important booklet, a must-read for people like me who do not know much about how the Emergency had affected the Tamil communities in the rubber estates. The horror of Chinese squatters herded into New Villages is better known compared to the sufferings of their Indian compatriots within the concentration camps of the plantations.

The inspiring and heroic life of Kaatu Perumal reflects their struggle for a just economic existence, and for human respect and dignity.

– Dr. Poh Soo Kai



Visi Alternatif Untuk Malaysia

Author: Jeyakumar Devaraj
Language: Malay
No. of Pages: 156
Price: RM20

Samada seseorang itu kapitalis, sosialis atau hanya berminat dengan tadbir urus yang baik, ternyata akan mendapat manfaat dengan membaca koleksi ucapan dan kertas kerja oleh Dr Jeyakumar, seorang ahli politik berprinsip yang saya hormati. Seperti yang dijangkakan, setiap kata dalam penulisannya dinilai dan dipertimbangkan dengan teliti dan penuh cermat. Hasilnya ialah koleksi yang mencabar kita dalam memikirkan kembali faedah dari sistem kita mutakhir ini dengan meletakkan ia selari dengan falsafah 'rakyat diutamakan', dalam erti kata yang sebenar. Anda akan menemu konsep bahawa pemimpin politik harus hidup bersederhana, mengisytiharkan harta mereka dan berperilaku dengan bermaruah. Sungguh memberansangkan! Namum kekuatan sebenar kata-kata Dr Jeyakumar terletak pada kenyataan bahawa dia bukan sekadar tulis atau mengatakannya. Beliau hidup dengannya.

– Dato Ambiga Sreenevasan

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Bank in the total amounts of your orders to PSM Centre (Public Bank 3187698519), then email the banking details and your orders to sook_818@yahoo.com. For more information, please contact Sook Hwa 016-2290460



PSM

