CPPS is pleased to bring to you its Policy Factsheet on Dato’ Seri Najib’s first 100 days in office as Prime Minister. In this factsheet, we will look at the accomplishments and shortcomings of his administration thus far and explore its effects on Malaysia.

**BACKGROUND**

In April 2009, Abdullah Badawi stepped down as Prime Minister after facing much pressure to take responsibility for Barisan Nasional’s worst election showing in four decades. In his place, then Deputy Prime Minister Najib Tun Razak was sworn into office on 3 April 2009.

Upon assuming office, besides the challenges left over from Badawi’s administration and the economic downturn, Dato’ Seri Najib faced a lack of credibility and public faith in him due to allegations of corruption and suspected involvement in recent scandals.

Najib completed 100 days in office as Prime Minister on 11 July 2009. By 1 July 2009, according to a poll by the Merdeka Center for Opinion Research, his approval ratings increased from 45% to 65%.

While most of his policies have been implemented, some remain unsatisfactorily so and a few have yet an established timeline for their implementation. Thus in reviewing Najib’s performance so far, there is still room for improvement.

**PROMISES AND POLICIES**

During his maiden speech, Najib underlined the following as the main goals of his administration:

- Re-establishing economic stability
- Tackling poverty
- Restructuring society
- Re-energizing a passion for public service
- Enhancing the confidence of citizens in those entrusted with maintaining peace, law and order

In this speech, Najib further underlined the goal of attracting more investments, bringing in more professionals and technology as well as strengthening the competitiveness of the sector. He also emphasized a re-engagement of talented young professionals in public service, regardless of their position or background.
In his Malam Wartawan 2009 speech, Najib also called for “a vibrant, free and informed media… that is empowered to responsibly report what they see, without fear of consequence and to hold governments and public officials accountable for the results they achieve or do not achieve.”

To this end, Najib has enacted several economic reforms, called for a review of the Internal Security Act and launched the 1Malaysia concept as the basis of his administration, which calls for national unity.

This 100 day evaluation will be based on the above promises and policies, but also bring into consideration other factors we consider pertinent to the development of Malaysia.

**STATUS QUO**

### ECONOMY FACTS AND FIGURES

- According to Bank Negara Malaysia, the Malaysian economy started stalling and then falling during the fourth quarter of 2008, registering only 0.1% growth, down from 4.7% during the previous quarter.
- According to the Asian Development Bank, the Malaysian economy “expanded at a robust 6% annual rate in the 5 years to 2007, contributing to a reduction in overall poverty (based on the national poverty line) to 3.6% in 2007.”
- Ranked 21st in the Global Competitiveness Index 2007-2008, dropping 2 ranks down from 19th a year ago. Out of all of the indicators within the subindexes, its worst performer was under “macroeconomic stability”, which ranked Malaysia 45th out of the 131 countries examined.
- Ranked 63rd in the Human Development Index, in the United Nations Development Program’s Human Development Report 2007/2008, categorized under “High Human Development” down from 61 in the previous year, although the index value itself increased to 0.81.
- Ranked 51st in the 2008 Index of Economic Freedom (64.5% showing moderate freedom)
- The goals of the 9th Malaysia Plan:
  - To move the economy up the value chain.
  - To raise the capacity for knowledge and innovation and nurture ‘first class mentality’
  - To address persistent socio-economic inequalities constructively & productively.
  - To improve the standard and sustainability of quality of life
  - To strengthen the institutional and implementation capacity

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<th>Economic Indicator</th>
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<td>(% change per year)</td>
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<tr>
<td>CPI (% change per year)</td>
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<td>Unemployment rate (%)</td>
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<td>29.3</td>
<td>...</td>
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</tbody>
</table>

... = data not available, CPI = consumer price index, GDP = gross domestic product, GNI = gross national income.

ADB staff estimates.
HUMAN RIGHTS

- Article 5 of the Constitution provides that no person may be deprived of life or personal liberty save in accordance with law. It also guarantees the rights of an arrested person to be informed of the reasons of his arrest and to be legally represented by a practitioner of his choice.
- The Internal Security Act (ISA)
  - The ISA was created during the days of the Malaya Emergency as a measure against the Malayan Communist Party. It allows for the arrest of any person without the need of trial under certain defined circumstances and has been consistently used against political opponents.
  - Since 1960, 10,662 people have been arrested under the ISA. Any person may be detained for up to 60 days without trial for an act that allegedly threatens the security of the country. After 60 days, one may be further detained for a period of two years each under approval by the Minister of Home Affairs. This allows indefinite detention without trial.
  - The ISA has been used to suppress peaceful political, academic and social activities, and legitimate constructive criticism by NGOs and other social pressure groups, limiting the political space for important debates on issues of economic policy, corruption and other social challenges.
  - Previous PM’s Tun Dr Mahathir Mohamad and Tun Abdullah Ahmad Badawi have released detainees upon entering office. However, according to Suaram, 1,500 people were arrested under the Mahathir administration, out of which 106 individuals were detained under Operasi Lalang in 1987. Under the Badawi administration between October 2003 and April 2009, there were 105 new arrests.
  - According to Amnesty International (AI) Malaysia, the ISA is contrary to fundamental principles of international law, including the right to liberty of the person, to freedom from arbitrary arrest, to be informed of the reasons for arrest, to the presumption of innocence, and to a fair and open trial in a court of law. AI Malaysia also believes that the ISA has had a wider, intimidating effect on civil society, and a marked influence on the nature of political participation and accountability in Malaysia.
- Beyond the ISA, there are a number of other laws which provide for ‘preventive’ detention without trial in Malaysia, including the Emergency (Public Order and Prevention of Crime) Ordinance 1969 (EPOPCO), the Dangerous Drugs (Special Preventive Measures) Act 1985, and The Restricted Residence Act 1933.
- Other human rights concerns:
  - According to the Home Ministry, there were 1,535 cases of deaths in prisons, rehabilitation centres and immigration detention centers in the period between 2003 and 2007, with 85 deaths in police custody.
  - On his first day in office, Amnesty International (AI) released a wish-list of key human rights issues that they hoped Najib would address. Top of the list were the repeal of the ISA, a greater freedom of speech, and ratifying the UN Convention relating to the Status of Refugees, its 1967 Protocol and the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.
  - According to the US State Department “Trafficking in Persons Report 2009”, which looked at efforts in over 173 countries to combat trafficking for forced labour, prostitution, military service and other purposes, Malaysia is on the blacklist with 16 other countries. The report stated that “Malaysia does not fully comply with the minimum standards for the elimination of trafficking and is not making significant efforts to do so, despite some progress in enforcing the country’s new anti-trafficking law.”
**FREEDOM OF SPEECH AND EXPRESSION**

- Other laws such as the Trade Unions Act 1959, the Societies Act 1966, the Universities and University Colleges Act (UUCA) 1971 and the Police Act 1967 further imposes restrictions on the exercise of freedom of association, freedom of assembly and related activities.
- Reporters without Borders (RWB)’s 2008 Press Freedom Index ranked Malaysia 132nd out of 173 countries.
- Ownership and control of all mainstream newspapers, television and radio channels are by the component parties of the ruling coalition, or held by media owners loyal to the ruling parties. As of 2007, Media Prima Berhad, which has close links with the ruling United Malays National Organisation (UMNO), controls 57% of the country’s total print advertising.
- In June 2008, journalists were barred from entering the Parliament lobby where press conferences are usually held. On 26 January 2008, online newspaper Malaysiakini journalist Syed Jaymal Zahiid was arrested by the police while covering a rally against rising prices. On 6 May 2008, the police questioned journalists R. Nadeswaran and Terence Fernandez from The Sun after they had exposed the transferring out of funds by the Association of Wives of Selangor Assemblymen (BALKIS) soon after the BN lost the Selangor state to Pakatan Rakyat in the General Elections. In 2008, Raja Petra Kamaruddin was arrested several times under the Sedition Act, Section 500 of the Penal Code and the ISA for allegedly inciting racial tension on his blog.

**EDUCATION**

- In the 8th Malaysian Plan, the highest expenditure went to the Ministry of Education at RM24 172 million, approximately 14.2% of the total budget. In the 9th Malaysian Plan, the Ministry of Education doesn’t differ too far at a total allocation of RM23 198 million.
- Few Malaysian universities have achieved a competitive position internationally. There is a rise of tertiary education graduate unemployment in Malaysia.
- PSD scholarships:
  - Public Service Department (PSD) scholarships are awarded to 2000 students each year to study abroad, with another 2000 scholarships awarded to students to study locally. More than RM2.8bil were given out to PSD sponsorships for overseas degrees between 2000 and 2008.
  - In 2009, 15 084 candidates applied, out of which 8 363 were selected for interview. 8 000 students qualified on merit but less than 20% of them were successful in obtaining a scholarship. In 2008, about 15 220 students applied for, out of which 7 282 were selected for interview.
The allocation of scholarships in 2009 comprises applicants who qualify by merit (20%), race (60%), East Malaysian bumiputra status (10%) and underprivileged groups (10%). 20% of the scholarships awarded are based on merit. Of these, 68% went to non-bumiputra students in 2009. Overall, there was a 55:45 ratio between bumiputera and non-bumiputra scholarship-recipients.

PSD has announced that its current criteria in awarding scholarships is based on the applicants’ academic results (75%), social background (10%), co-curricular activities (10%) and the applicants’ performance during the oral interview (10%). Successful applicants are given only 3 days to accept or decline the offer, without getting to choose the pre-university programme or the country in which they would like to pursue their higher education.

Upon completion of their studies abroad, the students must serve the government for an allotted period of time. *EducationMalaysia* estimates that only 16% of PSD scholars actually serve their bonds upon return to Malaysia between the years 2003-2007.

Other major challenges facing education in Malaysia:

- Low standards in schooling assessments
- Over-dependence on private tuition
- Overall poor command of English of graduates and teachers
- Racial polarization due to the existence of vernacular schools
- High dropout rates
- Many public schools are lacking in good basic facilities
- Lack of integrity in academia (eg. “leaked” examination papers)
- Salaries of teachers with certificates from a teacher training college are significantly lower than salaries of teachers with bachelor’s degrees
- Overall teaching quality is still in need of improvement

**LAW ENFORCEMENT AGENCIES**

- The effectiveness of the Royal Malaysia Police (PDRM) remains questionable in terms of public confidence.
- Transparency International’s 2008 Global Corruption Barometer report shows that the perception of government effectiveness appears to have decreased, with Malaysian political parties and public officials/civil servants rated to be the most corrupt institutions.
- Also, according to Transparency International’s 2008 Bribe Paying Index report which bases its surveys on local business executives, 73% of business executives surveyed in Malaysia consider the actions of the government to be ineffective in the fight against corruption. In this same survey, the Malaysian police received a score of 4 out of a scale of 1 to 5 (1 being not at all corrupt and 5 being extremely corrupt).
- According to MalaysiaCrimeWatch, the national crime rate has been increasing every year since 2005, with the number of unsolved cases exceeding the 20% standard set by INTERPOL. In 2007, the solving rate was at
ECONOMIC REFORMS

- Najib announced a RM 60bil. spending plan and is letting in more overseas lenders for the first time in more than a decade.
- Najib has liberalized 27 service sub-sectors, covering health and social services, tourism services, transport services, business services and computer and related services, which accounts for 57% of total employment.
- The 30% bumiputera ownership requirement for newly listed Malaysian firms has been relaxed to 12.5%, without any obligation to achieve the quota if the issue is not taken up. Foreign companies seeking a listing on the Kuala Lumpur stock exchange are no longer subject to the quota system.
- In the financial sector, to raise foreign ownership caps in unit trust management from 49% to 70%, 5 new foreign-owned Islamic banks and trade bans have been promised to be licensed.
- The guidelines of the Foreign Investments Committee (FIC) have been relaxed. FIC approval for property transactions is not required for transactions between foreigners and non-bumiputera, but will be required when it involves a dilution of bumiputera or government interest for properties valued at RM20 million and above. Post-listing fund-raising exercises will no longer be subject to any equity condition.
- Ownership in the wholesale segment of the fund management industry has been liberalized, allowing total ownership for qualified and leading fund management companies seeking to be in Malaysia.
Private equity fund called **Ekuiti Nasional Berhad (Ekuinas)** with an initial capital of RM500 million has been set up to invest in private sector funds and to ensure meaningful and effective participation by Bumiputeras. Najib has disclosed that bumiputra participation through Ekuinas will be based on merit and that the fund is expected to eventually grow to RM10 billion.

According to Monash University Malaysia political scientist Professor James Chin, bumiputra participation in shareholding is still being ensured through the Ekuinas and Najib’s economic model is an attempt to **minimize cronyism, maintaining bumiputra constitutional privileges** while **addressing the abuses of the NEP**.

**MEDIA FREEDOM**

- Despite his promises, **little effort to liberalize the media** has been taken and **censorship** is still prevalent.
- On 6 April 2009, Najib lifted the ban on two media outlets which are extensions of the opposition at the federal level.
- On 9 April 2009, the Prime Minister’s Office barred Chinese-language online news portal **Merdeka Review** from covering the announcement of Najib’s new cabinet line-up without giving any reasons. On 15 April, Information, Communications and Culture Minister Dato’ Seri Dr Rais Yatim threatened to use the Communications and Multimedia Act against bloggers who wrote “untruths” and touched on personal matters. In June 2009, **Malaysiakini** reported that Media Prima had banned footage of the May 7 Perak assembly sitting, which included scenes of House Speaker V. Sivakumar being forcibly dragged out of the house by security forces. On 15 May 2009, **Merdeka Review** reported seven sensitive matters (i.e. opposition party politics, sex, race, language, religion, the monarchy, and morals relating to current political developments) have been banned from being discussed on RTM radio programmes to prevent “controversy”.

**HUMAN RIGHTS**

- In line with the spirit of his new administration, Najib’s first decisions in office on 3 April 2009 was to remove temporary bans on two news publications, to release 13 ISA detainees and to review the Internal Security. On 8 May 2009, 3 HINDRAF leaders and 10 other detainees were freed.
- However, on 27 May 2009, the suspected leader of Jemaah Islamiah (JI) militant group Mas Selamat Kastari was detained for two years under the ISA. On 27 June 2009, 3 other suspected JI members were arrested for allegedly trying to revive the outlawed organization. As of 25 June 2009, there are still 12 detainees in the Kamunting detention center.
- On his first day in office, Najib called for a **comprehensive review of the ISA**, with details provided by the Ministry of Home Affairs. The review has thus far been focused on the redefinition of the term “threats to national security and public peace”, a re-examination of the length of detention and the appointment of independent investigators. He furthermore said the government would look at limiting the number of extension orders that could be issued.
- To date, **no committed time-line** has been established for the execution of this review.
- Najib has been criticized for not being true to his promise of a comprehensive review. Several civil society organizations are of the opinion that unless the ISA is abolished, the ISA detainees released and the Kamunting detention is shut down, Najib’s promises do not ensure positive reform that supports human rights.
**EDUCATION**

- On 11 May 2009, the Public Service Department (PSD) scholarship came under public debate again for its unfairness and ineffectiveness. There is an overall lack of transparency in two major areas of the PSD scholarship system, i.e. the selection process and also the educational structure of the system.

- On 14 May 2009, MCA President Datuk Seri Ong Tee Keat announced that the government would review the selection criteria for Public Services Department scholarships.

- Najib’s administration has responded to this issue by limiting students in non-religious schools to 10 subjects in the Sijil Pelajaran Malaysia (SPM) examination, of which 4 core subjects will be mandatory and 6 electives will be for students to choose. Also, a new category of PSD scholarships has been announced to be awarded next year, which will be awarded based on “pure merit” regardless of race. Details on this new scholarship have yet to be announced.
Among the **suggestions on overall improvement** of the system which have been made:

- Students should be given the choice to apply for local or foreign universities before obtaining the PSD scholarship, which should only be awarded upon successful entry into the universities.  
- The scholarships should prioritize students from rural areas and poor family backgrounds and not be awarded to students from rich families.  
- Communities that are class-differentiated should not qualify for positive discrimination as a race.
- The PSD scholarship should be restructured to resemble the PSC scholarship in Singapore, where the scholarship is integrated with the civil service, in order to fully realize taxpayers’ investments in overseas scholarship holders.
- Employment in the Malaysian civil service must be made more attractive in order to retain returning PSD scholars.
- Officers should be appointed to handle PSD scholars, watching their progress and ensuring quality employment within the civil service.
- Family income should be removed from the selection criteria as it might cause rich and talented students to emigrate to other countries.
- The current 55:45 ratio between the Malays and Bumiputeras should reflect the racial composition.
- Students with 9 A1’s and above should “automatically qualify” for scholarships.
- The definition of meritocracy should be solely based on “the students’ results and not any other areas”, thus “the students’ co-curriculum activities and interviews should not be included for consideration”.

- Beginning in 2012, the **teaching of science and mathematics** will be in Bahasa Malaysia as well as in Tamil and Mandarin in the respective vernacular schools instead of English.

- It has been announced that the **subject curriculum of the Malay language will undergo a transformation** at primary and secondary school levels.

- On the **teaching of English**, the ministry announced that an additional 13,933 English teachers will be appointed (comprising 1,000 teachers from abroad, 600 retired teachers who would be re-employed, and 12,333 additional teachers from the Malaysian Institute of Teachers’ Education as well as from private and public institutions of high learning). Also, the time allocation for the English subject period will be increased at primary, secondary and matriculation school levels.
Footnotes on EDUCATION

- 1 DAP information chief Tony Pua and Education Bureau secretary Chong Sin Woon
- 2 BN-Pontian MP Ahmad Maslan
- 3 Educationist and former principal of New Era College Dr Kua Kia Soong
- 4 Political analyst, Ong Kian Ming
- 5 Political secretary to Chief Minister of Selangor, Nik Nazmi Nik Ahmad
- 6 Parliamentary Roundtable Discussion on 22 May involving opposition party MP’s, academics and former PSD scholars
- 7 DAP information chief Tony Pua
- 8 BN-Pasir Salak MP Datuk Tajuddin Abdul Rahman
- 9 DAP parliamentary leader Lim Kit Siang
- 10 MCA president Datuk Seri Ong Tee Keat

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