

## Southeast Asia from Scott Circle

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### Malaysia's Najib Faces Latest Challenge from Newly Established Party

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Former deputy prime minister Muhyiddin Yassin on August 9 [officially registered](#) Malaysia's newest political party: Parti Pribumi Bersatu Malaysia, or Bersatu for short. The party is the latest salvo in a slow mutiny against Prime Minister Najib Razak that has centered for more than a year around a scandal involving state investment fund [1Malaysia Development Bhd](#) (1MDB).

Although Malaysia's opposition has long sought to dethrone the prime minister's United Malays National Organization (UMNO), infighting and ethnic rivalries have kept it from posing a real challenge to the UMNO-led coalition that has governed Malaysia since independence in 1957. But in a sign of the test posed by this new party, former deputy prime minister Musa Hitam on August 10 predicted that the ruling coalition would [call snap elections](#) soon, before Bersatu has a chance to gain a foothold. It is still too early to tell whether Bersatu is capable of ousting UMNO, but the party could pose a challenge to the survival of Najib himself.

Bersatu president Muhyiddin is joined by former prime minister Mahathir Mohamad in the role of chairman, and Mahathir's son, Mukhriz Mahathir, as vice president. All three are formerly key figures in UMNO who quit or were driven out over their criticism of the prime minister in the 1MDB scandal and his failure to adequately explain the hundreds of millions of

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*Prime Minister Najib Razak. The prime minister has dismissed calls for his resignation in the wake of an alleged corruption scandal related to state investment fund 1Malaysia Development Bhd. <https://www.flickr.com/photos/firdausjongket/8168914548/>*

dollars related to 1MDB that ended up in his personal bank accounts. The partnership of these former leaders—especially Mahathir, who led Malaysia for 22 years and shaped UMNO into its current form—presents Najib with a challenge he has not had to face from earlier opponents.

Malaysia's most prominent opposition figure, Anwar Ibrahim, was labeled an UMNO traitor and faced character assassination years before Najib even took office. Najib continued putting pressure on Anwar after becoming prime minister, and after a close election in 2013, a court overturned Anwar's prior acquittal on sodomy charges that were widely deemed political and sent Anwar back to prison.

Attacking the 91-year-old Mahathir's reputation and painting him as a traitor in a similar manner would be difficult because of Mahathir's long career as the face of UMNO. His decision to resign from the party in February followed solely from UMNO's failure to address support for Najib's role in the 1MDB debacle. Calling Mahathir a traitor would seem an act of desperation, and the charge would not likely stick even with UMNO devotees. The legitimacy that Mahathir brings to Bersatu could make it more appealing for potential UMNO defectors.

Bersatu could challenge UMNO's place as the party of the *bumiputera*, or native Malays. Although the new party has already come under fire for its decision to allow only bumiputera to be fully fledged members (non-bumiputera are relegated to associate memberships), the move could give it some legitimacy in trying to replace UMNO. UMNO has long been cast as the "defender of the Malay" against other ethnicities in Malaysia. Najib has relied heavily on racial tensions to bolster support for UMNO, declaring that voters must defend UMNO at the ballot box so UMNO can defend bumiputera interests.

Taking on a similar role as defender of the bumiputera might allow Bersatu to chip away at Najib's ability to utilize those tensions. An indication of Najib's concern about this came in [his quick accusations](#) that Bersatu was "allied with DAP"—the largely secular and multiracial Democratic Action Party favored by Chinese Malaysians—and thus could not fight for the bumiputera.

To be sure, ousting Najib would take a monumental effort. The security of the premier is bolstered by weak institutions that are unable or unwilling

## Malaysia's Najib Faces Latest Challenge from Newly Established Party (continued)

to check the prime minister, and Mahathir himself is responsible for much of the undue power accorded to the office. Changes made during Mahathir's tenure in the 1980s restricted the political power of the sultans, the constitutional rulers of each state, and the courts. Recently implemented security legislation places many powers exclusively in the hands of the prime minister, giving him powerful tools to limit the ability of activists to openly protest against the government.

Najib's strict control over political discourse extends to the media. One reason reaction to the 1MDB scandal has been relatively muted in Malaysia is because voters, particularly outside urban areas, are largely unaware of the scandal. News outlets that have pursued criticism of the prime minister—such as the now-defunct Malaysian Insider or the London-based Sarawak Report—have been blocked in Malaysia, and in the case of the former, forced to shut down. Journalists at government-controlled outlets [have been banned](#) from covering the story, making it significantly more difficult to sway voters and party members to desert the ruling party.

But the most important control Najib continues to exercise is through the patronage system. The executive's control of the purse [gives the prime minister](#) the ability to reward loyalists and deprive critics of needed funds. UMNO representatives that depend on these funds know they risk their political survival by challenging Najib. Additionally, pork barrel spending allotted by the ruling coalition to the states helps secure the backing of voters who do not know how their regions would fare under a new government. It will be a tall order for Bersatu to compete against UMNO's budget largesse.

For Bersatu to pose a significant challenge to the prime minister, much will depend on its ability to cooperate with the fragmented opposition. The election must be held before the end of August 2018, giving the opposition just two years to resolve squabbles over seat allocations, policy differences, and long-running conflicts between the former UMNO leaders and the parties they once disparaged. Although DAP leaders have already balked at such an alliance, other opposition party heads have shown a willingness to set aside those differences to oust the ruling coalition.

Even without those differences, however, the opposition faces an uphill battle trying to challenge Najib while assuring bumiputera voters and potential UMNO defectors that their interests will be as well-protected by a new opposition coalition as under the ruling coalition. The more



*Former prime minister Mahathir Mohamad. Malaysia's longest-serving prime minister and Najib's former boss, Mahathir provides establishment credibility to the newly created Bersatu party that could challenge the ruling coalition. <https://www.flickr.com/photos/udeyismail/1534792544>*



*Malaysian police personnel face off against an anticorruption rally in Kuala Lumpur, 2012. Prime Minister Najib Razak has given security forces increased powers to break up protests against the government.*  
<https://www.flickr.com/photos/7906727@N07/7200550308>

UMNO loyalists that Bersatu is able to win over, the easier this prospect will be. But after Najib's purges of any outspoken critics in the party, it will be hard to sway many remaining diehards. The more Bersatu focuses on the image of "UMNO without Najib," the easier it will be to lure away that support. More importantly, if 1MDB revelations from the ongoing investigations in the United States and other countries continue to drag Najib down, even UMNO loyalists may find that protecting the party means jettisoning the prime minister. ■

## THAILAND

- **Thais vote to approve new constitution; government says election will take place in 2017.** Voters in an August 7 referendum voted to approve a draft constitution put forth by the military government, with 61 percent of votes in favor. The majority of “no” votes were in the southern border provinces, home to a long-running separatist insurgency, and in the north and northeast, where supporters of the opposition Pheu Thai party dominate. Critics warned that the constitution would grant inordinate power to the military. Prime Minister Prayuth Chan-o-cha on August 9 confirmed that a general election will now take place around November 2017.
- **Wave of bombings across Thailand kills four, injures dozens.** A wave of coordinated bombings on August 11 and 12 killed four people and injured at least 33. Unlike the bombings that frequently strike in Thailand’s restive southern provinces, these bombs were placed in popular tourist areas, including Hua Hin, Phuket, Phang Nga, and Surat Thani. The four killed were all Thai nationals. Police found and defused at least five additional bombs over the weekend. Authorities were quick to rule out terrorism, blaming the attacks on local sabotage, and subsequent statements have implied a connection to groups displeased with the results of the August 7 constitutional referendum.
- **Authorities propose tracking tourists’ phones.** Thailand’s National Broadcasting and Telecommunications Commission on August 9 submitted a proposal to monitor foreign tourists’ locations through SIM cards. The regulating agency said it will consult police and tourism authorities before deciding whether to implement the proposal. Takorn Tantasith, secretary-general of the commission, said that the policies were intended to assist in locating tourists that overstay their visas or flee from the police.

## PHILIPPINES

- **U.S. summons Philippine envoy over Duterte’s “inappropriate” remarks.** The State Department on August 8 said it had met with the Philippine chargé d’affaires in Washington, Patrick Chuasoto, to discuss what it says are President Rodrigo Duterte’s “inappropriate” remarks about U.S. ambassador to the Philippines Philip Goldberg. Duterte used a Filipino slur to refer to Goldberg during a speech to Philippine military officers on August 5. He also accused Goldberg of interfering with the Philippine



*View of waterfront hotels in the resort town of Hua Hin, one of the areas targeted during the recent wave of coordinated bombings across Thailand. [https://commons.wikimedia.org/wiki/File:Hua\\_Hin\\_hotels.jpg](https://commons.wikimedia.org/wiki/File:Hua_Hin_hotels.jpg)*





presidential elections earlier this year, when Goldberg criticized Duterte's remarks on the sexual assault of an Australian missionary.

- **Duterte calls out government officials allegedly involved in drug trade, vows to wipe out oligarchs.** President Rodrigo Duterte on August 7 released the names of 150 officials allegedly involved in the drug trade. The list includes officials in law enforcement, the judiciary, and provincial governments. Duterte instructed these individuals to submit to the police in order to face administrative charges. Duterte also said during a speech on August 3 he would apply the same measures to corrupt oligarchs in the Philippines' business sector to hold them accountable.
- **Environment secretary leads crackdown on illegal mining.** Secretary Gina Lopez on August 8 said the Department of Environmental and Natural Resources would oversee the shutdown of small-scale mining operations that have not been monitored by the government. The new policy is part of President Rodrigo Duterte's environmental policies against mining and other extractive industries, which he calls "sunset industries" to be phased out. The shutdown of targeted mining sites would affect 60 percent of gold-producing operations in the Philippines.

#### MYANMAR

- **21st Century Panglong Conference to open on August 31.** Deputy director general of the President's Office Zaw Htay on August 8 announced that the 21st Century Panglong Conference will begin on August 31. The five-day conference will see around 1,000 representatives from the government, ethnic armed groups, political parties, and the military gather to discuss a framework for peace and national reconciliation in Myanmar. Some ethnic leaders have expressed concerns that holding a peace conference not long after the new government took office will not give them enough time to prepare for it.
- **Aung San Suu Kyi visits China.** State Counselor and Foreign Minister Aung San Suu Kyi on August 17 arrived in Beijing for a four-day visit to meet with Chinese president Xi Jinping and premier Li Keqiang. Bilateral economic cooperation and Myanmar's peace process, as well as the stalled Chinese-backed Myitsone Dam project in northern Myanmar, are expected to be high on the agenda for the visit. Aung San Suu Kyi, who is on her first foreign trip outside ASEAN since becoming foreign minister, was given an official welcome reserved for heads of state in recognition of her position as Myanmar's de facto leader.



*Myanmar state counselor Aung San Suu Kyi. Aung San Suu Kyi on August 17 began a four-day visit to China, her first foreign trip outside ASEAN since becoming Myanmar's state counselor and foreign minister.*

[https://commons.wikimedia.org/wiki/File:Aung\\_San\\_Suu\\_Kyi\\_-\\_World\\_Economic\\_Forum\\_on\\_East\\_Asia\\_2012.jpg](https://commons.wikimedia.org/wiki/File:Aung_San_Suu_Kyi_-_World_Economic_Forum_on_East_Asia_2012.jpg)

- **Military, KIA clash during ethnic summit in Kachin State.** Armed clashes broke out on July 28 between the Myanmar military and the Kachin Independence Army (KIA) in Kutkai Township in northern Kachin State. Lt. Col. Naw Bu, an official with the KIA's political wing, said KIA troops were surrounded by "three military columns," which attacked them with small arms and artillery. The clashes occurred as ethnic groups gathered in Mai Ja Yang in southern Kachin State in an attempt to forge a consensus among themselves ahead of the 21st Century Panglong Conference.

## SINGAPORE

- **Rocket attack targeting Marina Bay from Indonesian island foiled.** Indonesian authorities on August 6 arrested six suspects for planning to fire a rocket at Singapore's Marina Bay from Indonesia's Batam Island. The six men are reportedly members of a terrorist group known as KGR@Katibah GR. They were arrested in various locations throughout Batam. Singapore's Ministry of Home Affairs said it was aware of the attack plans and had been working with Indonesian authorities. Indonesian officials later reported that the group had "dozens of members" and has been active for two years. Law enforcement authorities allege that Bahrin Naim, an Indonesian fighter and member of the militant group Islamic State in Iraq and Syria, orchestrated and funded the plot from Syria.
- **Daughter of Lee Kuan Yew criticizes contempt of court bill.** Lee Wei Ling, the daughter of late prime minister Lee Kuan Yew, on August 14 called a draft contempt of court bill being deliberated in Singapore's parliament "an attempt to muzzle public opinion" on her Facebook page. The bill, which sailed through parliament on August 15, is the government's effort to provide greater clarity on what constitutes contempt in Singapore. Lee earlier this year openly accused her brother, Prime Minister Lee Hsien Loong, of trying to build a political dynasty over his government's commemorations of Lee Kuan Yew's death.
- **Singapore, Malaysia, Indonesia agree to step up information sharing on counterterrorism.** Singapore's Ministry of Home Affairs on August 10 said that Indonesia, Malaysia, and Singapore have agreed on two priorities to improve counterterrorism efforts. Singaporean minister of home affairs and minister for law K Shanmugam met with Malaysia's deputy prime minister and minister of home affairs Ahmad Zahid Hamidi, agreeing to exchange biometric information and best practices in countering violent extremism. Shanmugam also met with Indonesia's coordinating minister for political, legal, and security affairs Wiranto, who agreed that both priorities were important.



*Marina Bay, Singapore, a target of attack by a group of supporters of the Islamic State in Iraq and Syria based in Batam, Indonesia. Indonesian authorities foiled the plot before the suspects carried out the plot. [https://en.wikipedia.org/wiki/Marina\\_Bay,\\_Singapore#/media/File:Marina-bay-at\\_night\\_singapore-May\\_1\\_2009.jpg](https://en.wikipedia.org/wiki/Marina_Bay,_Singapore#/media/File:Marina-bay-at_night_singapore-May_1_2009.jpg)*



National police chief General Tito Karnavian. Tito advised lawmakers to pay attention to terrorism prevention measures and respect for human rights when revising Indonesia's existing counterterrorism law. [https://commons.wikimedia.org/wiki/File:Tito\\_Karnavian.jpg](https://commons.wikimedia.org/wiki/File:Tito_Karnavian.jpg)

## INDONESIA

- **Police chief highlights shortcomings of counterterrorism law.** National police chief Tito Karnavian on August 6 said the House of Representatives should pay close attention to weaknesses in the 2003 Anti-Terrorism Law, as lawmakers have been deliberating amendments to the law in order to beef up Indonesia's counterterrorism efforts. Among the weak points Tito highlighted are terrorism prevention and the lack of a post-sentence rehabilitation process for convicted terrorists. Tito also raised the need to include clauses on respect for human rights in the new legislation.
- **Unidentified gunmen kidnap Indonesian sailor in Sulu Sea.** An Indonesian sailor was kidnapped from a Malaysian-flagged vessel on August 3 by four unidentified armed men in the Sulu Sea northeast of Malaysia's Sabah State. The gunmen kidnapped the Indonesian captain after failing to receive a \$2,500 ransom, but released two other crew members. Indonesian authorities last month decided to ban Indonesian vessels from sailing to Philippine waters amid an increase in kidnappings at sea in recent months. Indonesia, Malaysia, and the Philippines are expected to conduct coordinated patrols in the waters between the three countries soon.
- **Pertamina considers \$8.4 billion Iran oil refinery proposal.** Wiratmaja Puja, director general of oil and gas at Indonesia's Ministry of Energy and Resources, on August 9 said the government will consider a proposal from Iran to build an \$8.4 billion oil refinery in Java. The proposed plant would have a processing capacity of over 100,000 barrels a day and be built over four or five years. A feasibility study on the project is currently under way. The government has also received bids from China, Kuwait, and Russia.

## MALAYSIA

- **Former UMNO leaders register new political party.** Former prime minister Mahathir Mohamad and former deputy prime minister Muhyiddin Yassin on August 9 submitted papers to register a new political party called Parti Pribumi Bersatu Malaysia. Mahathir, who quit the ruling United Malays National Organization (UMNO) in February, and Muhyiddin, who was expelled from UMNO in June, have been calling on Prime Minister Najib Razak to resign over his role in the scandal surrounding state investment fund 1Malaysia Development Bhd. The new party's stated goals are to fight corruption and support the rights all of Malaysians.
- **Malaysia signs trade MoU with Cambodia.** Representatives from the Cambodian Chamber of Commerce and the Malaysian External Trade Development Corporation on August 10 signed a memorandum of



Former Malaysian prime minister Mahathir Mohamad addressing the UN General Assembly in 2003. Mahathir and former deputy prime minister Muhyiddin Yassin on August 9 registered a splinter political party after they were ejected from the ruling United Malays National Organization for criticizing Prime Minister Najib Razak. [https://commons.wikimedia.org/wiki/File:Mahathir\\_Mohamad\\_addressing\\_the\\_United\\_Nations\\_General\\_Assembly\\_\(September\\_25\\_2003\).jpg](https://commons.wikimedia.org/wiki/File:Mahathir_Mohamad_addressing_the_United_Nations_General_Assembly_(September_25_2003).jpg)



understanding covering trade cooperation between the two countries. The agreement covers information exchange, capacity building, and trade promotion. Two-way trade between the two countries reached \$388 million in 2015, and Malaysia is currently the fifth-largest investor in Cambodia.

## VIETNAM

- **Chinese hackers blamed for cyberattacks on Vietnamese airports.** A team of hackers alleged to be from the Chinese hacking group 1937cn on July 29 hijacked the flight information screens and sound systems of Vietnam's Noi Bai and Tan Son Nhat airports in Hanoi and Ho Chi Minh City, respectively, to broadcast statements against Vietnamese and Philippine claims in the South China Sea. The website of Vietnam Airlines, Vietnam's national carrier, was also defaced, with the data of approximately 411,000 VIP customers leaked online. The group 1937cn denied involvement in the cyberattacks, which delayed more than 100 flights.
- **Vietnamese firm cancels \$26 million deal with Chinese pipeline supplier.** Vietnamese construction firm Vinaconex has scrapped a \$26 million contract with Chinese pipe supplier Xinxing Pipes International Development, according to an August 9 report by *Thanh Nien Daily*. Under the original deal, Vinaconex would have bought ductile iron pipes from Xinxing Pipes for the Song Da Water Project, aiming to provide 200,000 households in Hanoi with clean water. The decision came amid public outcry over negative reviews of Xinxing Pipes' materials and allegations of a lack of transparency in the bidding process.



*Vietnam's Noi Bai Airport in Hanoi. Along with Tan Son Nhat Airport in Ho Chi Minh City, the airport on July 29 experienced a cyberattack that compromised its flight information screens and sound system. [https://upload.wikimedia.org/wikipedia/commons/6/64/S%C3%A2n\\_bay\\_N%E1%BB%99i\\_B%C3%A0i.jpg](https://upload.wikimedia.org/wikipedia/commons/6/64/S%C3%A2n_bay_N%E1%BB%99i_B%C3%A0i.jpg)*

## TRANS-PACIFIC PARTNERSHIP

- **USTR notifies Congress of draft TPP implementing bill.** The Office of the U.S. Trade Representative on August 12 notified the U.S. Congress that the administration of President Barack Obama will soon send a draft implementing bill for the Trans-Pacific Partnership (TPP) trade agreement to Congress. The notification, which is required at least 30 days before the administration plans to submit the bill, is a signal that Obama still plans to pursue ratification of the TPP before his term ends in January 2017. Congress is currently on recess and will return on September 6.

## SOUTH CHINA SEA

- **Satellite images show construction of aircraft hangars on disputed islets; China claims military flights over contested features.** Satellite images published by CSIS's Asia Maritime Transparency Initiative on August 1 show reinforced aircraft hangars and other structures built by China on disputed features in the South China Sea. The constructions



on Fiery Cross Reef, Subi Reef, and Mischief Reef will allow each islet to accommodate 24 fighter jets and several larger bombers. Separately, China on August 6 announced it had completed air patrols over the Spratly Islands and Scarborough Shoal, the latter claimed by both Beijing and Manila. Videos of the patrols were undated and did not specify if the patrols took place after the July 12 arbitral tribunal decision that declared China's nine-dash line invalid.

- **Vietnam purportedly deploys rocket launchers to Spratlys bases.** Hanoi has moved rocket launchers onto five of its military bases on the Spratly Islands, according to an August 10 report by Reuters. The launchers, which have the capacity to strike China's military facilities on Subi Reef, Mischief Reef, and Fiery Cross Reef, reportedly form part of the Israeli-made EXTRA rocket system. Vietnam's Foreign Ministry said the information was "inaccurate" without further comment.

#### ASEAN

- **Vietnam, Singapore bag first-ever Olympic gold medals.** Vietnamese shooter Hoang Xuan Vinh and Singaporean swimmer Joseph Schooling won their countries' first-ever Olympic gold medals at the 2016 Summer Olympics in Rio de Janeiro, Brazil. Vinh on August 7 delivered a near-perfect final shot in the men's 10-meter air pistol event, defeating Brazil's Felipe Wu. Schooling on August 12 beat U.S. swimming powerhouse Michael Phelps in the men's 100-meter butterfly, setting an Olympic record of 50.39 seconds. Thailand won two golds in weightlifting, while Indonesia secured two silvers in weightlifting, Malaysia a silver medal in diving, and the Philippines one silver in weightlifting.



*Vietnamese sports shooter Hoang Xuan Vinh, who on August 7 secured Vietnam's first-ever Olympic gold medal in the men's 10-meter air pistol event in Rio de Janeiro, Brazil. [https://upload.wikimedia.org/wikipedia/commons/1/1f/Hoang\\_Xuan\\_Vinh.jpg](https://upload.wikimedia.org/wikipedia/commons/1/1f/Hoang_Xuan_Vinh.jpg)*

- **U.S. International Religious Freedom Report spotlights developments in Brunei, Myanmar, and Vietnam.** The U.S. Department of State on August 10 released the annual Report on International Religious Freedom covering developments related to religious freedom in countries across the world. The report mentions that Brunei has implemented phase one of its Sharia Penal Code and is set to proceed to phase two, which includes corporal punishment such as amputation for theft, by 2017. The report expresses concern that four new laws related to the "protection of race and religion" in Myanmar, if enforced, will infringe on the exercise of religious freedom and other human rights. With regard to Vietnam, the report acknowledges the recently released draft law on religion and belief, which it says made minimal changes to current regulations on religion. ■

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