

The Politics of Malaysian Federalism: The Case of Kelantan

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INTRODUCTION

There exists voluminous material in the forms of books, monographs and articles on Malaysia's political development, international relations and economic growth. But in the field of federalism, there is a relative lack of literature on the question of centre-state relations, and especially on relations between the central government and those states whose governments over time have pursued aims in conflict with those of federal leaders. But where they are available, these studies tend to be scanty and are confined either to a particular state or provide inadequate coverage of the main issues in centre-state relations.¹ In addition, given the sensitivity of the subject and the generally restrictive political climate in Malaysia, there has been a dearth of scholarly work on the theme of centre-state relations by Malaysian writers. My study will try to fill this gap by looking at Kelantan as a case in point with particular reference from 1990 to 1995.²

The questions to be explored will include the reactions of the federal leadership after the Barisan Nasional's (BN or National Front) dramatic failure to retain the power in the state; the patterns of conflict and accommodation that then emerged between the two levels of government; and the actual political, constitutional and development issues that shaped centre-state relations now that UMNO no longer ruled the state.

THE PRELUDE TO THE 1990 GENERAL ELECTION

UMNO was established in May 1946 and since its formation, it has been served by five presidents: Dato' Onn Jaafar (1946-1951), Tunku Abdul Rahman (1952-1970), Tun Abdul Razak (1970-1976), Tun Hussein Onn (1976-1981), and Dr Mahathir Mohamed (the present party leader and prime minister). Certainly under the leadership of the first four, UMNO's

internal affairs had been relatively well managed; factional problems and power struggles had been contained, and the party's internal conflicts had been resolved amicably. It was the custom of party members not to challenge their leaders because of an apparently widely shared concept of party loyalty and a recognition of the need to preserve party unity. Indeed during the UMNO's fifty-four years of existence, the custom of loyalty to the party's leaders had been broken only twice in 1977, when Haji Sulaiman Palestin, UMNO's information chief, challenged Hussein Onn for the party presidency, and at the party's triennial elections in April 1987, when Tengku Razaleigh Hamzah, a former Finance Minister and Minister of Trade and Industry, challenged the Prime Minister, Dr Mahathir Mohamed, for the post of party president. At the same time, the Deputy Prime Minister, Ghaffar Baba, was challenged by Dato' Musa Hitam (a former Deputy Prime Minister) for the post of deputy president.

Razaleigh and Musa decided to cooperate and challenge the Mahathir political leadership because dissatisfaction had emerged within the senior ranks of the UMNO leadership over Mahathir's autocratic style of leadership and his increasing personal power. To his critics, Mahathir was perceived as arrogant, insensitive and self-righteous - a person who liked to make policy without seeking either adequate expert advice or political counsel, not least in formulating economic strategy and in promoting costly prestige projects like the construction of the Penang bridge and the Malaysian car project. Such a style of leadership went against the practice of previous administrations.

In the 1987 UMNO party elections, it was predicted that both Razaleigh and Musa (known in popular parlance as 'Team B') would win the presidential and deputy presidential posts. Yet both lost by narrow margins of 43 and 40 votes respectively. The controversy over the election results and the subsequent purges of Razaleigh supporters' from government and senior party positions resulted in the split of UMNO: Team B established a new party, popularly known as Semangat 46 (S46, or Spirit of 46 (that is 1946, the year when UMNO was founded). Having been formally elected as president of S46, Razaleigh commenced efforts to persuade other parties to form an opposition front to challenge the BN coalition government in a more effective manner and to reduce the problems of opposition divisions facilitating another BN electoral triumph. Thus prior to the 1990 general election, S46 took the first step to formalise an electoral pact with the PAS, Hamim and Berjasa; this was called *Angkatan Perpaduan Ummah* (APU, or the Malay Unity Move-

ment). With the cooperation of Malay-based political parties under APU, the strength of the Malay opposition, especially in Kelantan, was roughly equal to that of UMNO.³

Moreover, the formation of S46 split the Malay community into two groups - between those supported Mahathir's UMNO and Razaleigh's S46. To the Kelantanese, Razaleigh was viewed as a leader who once had brought considerable material development to Kelantan. After successfully masterminding the downfall of PAS in 1978, he used his position as federal finance minister to build a university hospital at Kubang Kerian in Kota Bharu and to approve the construction of two costly highways linking the interior parts of Gua Musang with Kuala Krai, and Jeli with Gerik in Perak. He also orchestrated the opening of vast new land schemes under KESEDAR in Gua Musang all for the advancement of Kelantanese. His deeds were well remembered and valued by the rakyat; and his appeals to them for support now did not go unheeded. Many Kelantanese viewed those who supported UMNO Baru as betrayers of the interests of the Kelantan people; indeed Mohamed Yaacob, the Menteri Besar of Kelantan from UMNO and his supporters were blamed for the defeat of Razaleigh in the 1987 UMNO elections, thus, denying the chance of a 'native son' becoming the first Kelantanese prime minister of Malaysia. It was against this background that Mahathir was forced to dissolve the parliament and call for fresh elections in October 1990.

THE DOWNFALL OF UMNO IN KELANTAN

The 1990 general elections were viewed by many political observers as the most closely fought in Malaysian history.⁴ It was the first time in Malaysian elections that there existed a strong opposition front to challenge the ruling BN coalition. Previously because of conflicting ideologies, cooperation between the PAS and Chinese-based party, Democratic Action Party (DAP) in particular had been limited at the elite level, and had been confined mainly to local tactical electoral understandings to avoid splitting the opposition vote. However, this situation had now dramatically changed. Both the PAS and the DAP agreed to avoid campaigning on communal issues, instead anchoring their campaign on such issues as the erosion of fundamental liberties, the threat to the independence of the judiciary, corruption and financial mismanagement. They also dropped their objectives of establishing an Islamic state and a 'Malaysian Malaysia' respectively from their cam-

paigned manifestos.⁵ This compromise, albeit unofficial, was a significant development in Malaysian politics.

The BN's campaign was centred on two key areas: (i) its record of socio-economic achievement and its experience in governing; and (ii) the consensual policy-making approach within the coalition that had produced stability and prosperity in the country. In an effort to get its message across, UMNO leaders campaigned vigorously in the rural areas, repeatedly warning the voters that they should not risk a change of government putting the achievements of twelve years of UMNO rule and their improved standard of living in jeopardy. In its *ceramahs*, UMNO leaders implicitly raised communal issues by reminding the electorate that despite the electoral understanding between the opposition parties of both APU and *Gagasan Rakyat* in terms of seat allocation, they would not be able to form an effective government because of their conflicting aims. As Mahathir put it:

The opposition front is all mixed up with no clear directions...and could not be a creditable alternative. The DAP and PAS had different beliefs and they are not talking to each other. Can you imagine Tengku Razaleigh presiding at a Cabinet meeting, with PAS on one side looking the other way and the DAP on the other, looking another way. How can they do it when they cannot sit at the same table?⁶

UMNO also promised further economic development for Kelantan, with the threat, explicit as well as implicit, that if PAS and S46 were to win control of the state government, the state would be discriminated against in the distribution of federal development funding.⁷ Such arrogant tactics appeared to have a reverse effect and, as a consequence, many kampungs which earlier would have supported UMNO changed their stands.

In contrast to the UMNO's strategy, the opposition APU campaigned by appealing to the electorate to support its candidates in order to check government high-handedness. Consistent with their position in blaming the government for the country's economic malaise, the neglect of the rural peasants, and the oppression of urban workers, the S46 chose 'Save Malaysia' as its campaign theme and urged the electorate to vote for them for a better future. S46 promised a range of potentially attractive changes to voters, including a guaranteed minimum wage; the elimination of road tolls, road tax and television license fees; an increase in civil service and pension allowances; free car and housing loans for civil servants; increased subsidies to rice farmers; a lowering of the debt

repayment rate for FELDA settlers; the provision of free medical services; and enhanced access to education (Manifesto Semangat 46 1990). The PAS, on the other hand, campaigned on the party's theme 'Membangun Bersama Islam' ('Developing with Islam') promising that Islamic values would be the guiding principles of the party's actions if it was elected. Its election manifesto also emphasised the rights of non-Muslims to protection, stating that they would be free to uphold their own religion, practice their own culture and participate in politics. To ease the plight of the poor, the party promised to abolish or reduce licenses on trishaws, petty traders, boats, set up centres for the elderly and orphans, establish a comprehensive dadah (drug) eradication programme, and encourage the setting up of small industries.⁸

APU leaders also argued that UMNO, because of its almost absolute control of parliament, had become arrogant and was indifferent to public calls for accountability. The government's actions in detaining 106 people throughout the country without trial under the Internal Security Act (ISA) in October 1987 and the revocation of the licenses of three newspapers (the English-language *Star*, the Chinese-language *Sin Chew Jit Poh*, and the Malay-language *Watan*) were cited as evidence of Mahathir's autocratic style of leadership. Mahathir's actions in passing amendments to the much feared ISA in June 1989 which empowered the government to detain people without trial, and which removed the power of judicial review from the courts were also extensively cited by APU campaigners.

APU leaders also charged that UMNO policy, particularly in the administration of rural development, discriminated against their supporters. Due to the fact that local administration was totally in the hands of the UMNO, APU supporters were victimised; they were not given fertiliser subsidies and were excluded from land resettlement schemes. It is in this respect that APU charged that UMNO was using the power of the state to cheat and even intimidate opponents. This was, however, not the only aspect of development which APU was able to manipulate to its advantage. Government projects which required the acquisition of land or which resulted in the forced resettlement of villagers without adequate compensation were also raised by APU leaders. Here too, the fear of losing one's land one's inheritance' was adroitly exploited. APU's campaign on these issues undoubtedly stirred *rakyat* resentments and fears over being victimised by UMNO. This is the reason why by polling day, one could observe APU posters everywhere, in contrast to UMNO's.

The election results shocked the whole country. UMNO was heavily defeated in all the state and parliamentary constituencies in Kelantan. PAS and S46 won all the seats they contested with a majority of not less than 1,500 votes. Kelantan was the first state to record such a remarkable victory for the opposition against the ruling BN in the history of Malaysian elections. Once Kelantan fell under the rule of the opposition PAS, centre-state relations also started to show signs of tension not least because PAS leaders was over time proving less willing to tow to centre's line.

CENTRE-STATE RELATIONS: THE CONSTITUTIONAL ISSUES

On taking over power from UMNO in October 1990, centre-state relations which were cordial when the state was under the BN control government suddenly turned strains. In any federation, because of the presence of two levels of government ruling the same people and territory, the constitution has a role which is crucially important as an instrument for dividing power, so that 'each [level], in its own sphere, is co-ordinate with the others, and each acts directly on the people through its own administrative agencies.'⁹ However, there are inevitably occasions where conflict arises, especially where the constitution is subject to more than one interpretation. There were two important constitutional issues at this time that affected centre-Kelantan relations that need detailed treatment here. These were the state constitutional amendment to declare vacant the seats of those members defecting from the party on whose platform they were elected; and secondly, the *hudud* laws proposed by the PAS.

Within a year of its election, the APU coalition was engulfed in a political crisis when two S46 state assemblymen (Wan Najib and Nordin Salleh) and one S46 MP (Ibrahim Ali) defected to the UMNO in March 1991. A second S46 MP (Ahmad Shukri Hassan) followed in August 1991. These defections received wide media coverage and posed a challenge for S46 especially, as UMNO was able to capitalise on the event to stress that S46 no longer enjoyed support even from its own elected representatives. Ibrahim Ali, MP for Pasir Mas, admitted to the author that 'it was impossible to fight the establishment from the outside, ' as a reason why he chose to rejoin UMNO'.¹⁰ Ahmad Shukri, MP for Machang, explained that he had left the party because of 'S46 inability to bring development projects to the people.'¹¹ Wan Najib and Nordin Salleh cited their differences with the PAS-dominated government over its

policies of recruitment to certain administrative and political posts and their loss of confidence and trust in S46 state leaders as reasons for their defections.¹² On the other hand, State S46 chief and Deputy Menteri Besar II, Rozali Isohak, charged that the reason for these defections was because of 'lack of stamina and financial gains'. He explained that as former UMNO members, 'these people felt frustrated with the financial benefits they received as being representatives of S46'. They also felt upset at losing out on the benefits of being given licenses or company directorships enjoyed by their former UMNO brethren. They thus rejoined UMNO so that they could gain more benefits for their own personal interests.¹³

Constitutionally, S46 could not act against its MPs who had chosen to rejoin UMNO, because parliament was under the control of the BN government. But it could act against the state assemblymen who betrayed the party's trust because the state legislative assembly was under the control of the APU coalition. Thus, on 23 April 1991 the state government had tabled a bill in the state assembly to amend Article XXXI of the state Constitution by inserting after Article XXXI a new Article XXXIA as follows:

XXXIA. (1) If any member of the Legislative Assembly who is a member of a political party resigns or is expelled from, or for any reasons whatsoever ceases to be a member of such political party, he shall cease to be a member of the Legislative Assembly and his seat shall become vacant.

(2) For the purpose of Clause (1) the Legislative Assembly shall determine whether a seat has become vacant or as to when a seat becomes vacant and the determination of the Assembly shall be final and shall not be questioned in any Court on any ground whatsoever (Kelantan, *Warta Kerajaan Negeri Kelantan*, 1991).

In tabling the bill Deputy Menteri Besar II, Rozali Isohak, asserted that 'the amendment was necessary in order to ensure that rakyat be given the chance to determine whether they agree or otherwise with their wakil rakyat' [state assemblymen] actions in leaving the party on which they had won.¹⁴ The amendment was, he stressed, in line with democratic principles. Najib and Nordin, on the other hand, argued that the state government's action was against Article 7(1) of the Federal Constitution, because it was made retrospective (taking effect on 19 November 1990). S46 state assemblyman, Ahmad Rusli, in contrast, argued that the

amendment was not against the Constitution because Article 7(1)¹⁵ provided that only a criminal law could not be made retrospective.

After a heated debate, the bill was then passed by the state assembly. Najib and Nordin applied for court injunction to bar the state assembly speaker from declaring their seats vacant until their status as members of S46 could be determined. However, on 3 July 1991, the Kelantan assembly passed the enactment dismissing the two. Yet a day earlier, a High Court judge, Eusoff Chin, had approved Najib and Nordin's *ex parte* injunction on the ground that their dismissal was against the Constitution¹⁶. The federal attorney-general was confused as to how the High Court could grant their application as the matter fell under the jurisdiction of the federal Supreme Court.¹⁶ After consultation with the attorney-general, the Election Commission applied to set aside the temporary order of the High Court so that a by-election could be held; this was granted.¹⁷ The Election Commission then set 24 August for the two by-elections and 12 August as the nomination day.

At the by-elections, Najib and Nordin contested as candidates for the BN, which both of them were soundly defeated. Following their defeat, Najib and Nordin sought a court order declaring the Article XXXIA of the Kelantan State Constitution invalid, as it was inconsistent with the Federal Constitution. Zaki Tun Azmi, the leading counsel for the two, argued that they were not contending that the Kelantan state legislative assembly had no power to enact a law on the disqualification of its members but that the law, as enacted, was inconsistent with the provisions of Article 10(1)(c) of the Federal Constitution.¹⁸ In his judgement of 8 November 1991, Judge Eusoff Chin of the Kuala Lumpur High Court, reinstated Najib and Nordin as state assemblymen for both Limbongan and Sungai Pinang, arguing:

I find that only Parliament may enact law to impose any restriction on the exercise of the fundamental right of a citizen to associate which is guaranteed under art 10(1)(c) of the Federal Constitution. Further, the restriction may be imposed as Parliament deems it necessary only in the interest of the security of the Federation or any part thereof, public order or morality.

A state legislative assembly has no power to enact law to impose any restriction on that right, and if it does so, that part of the law which is inconsistent with the provision of art 10(1)(c) of the Federal Constitution is void under art 4(1) of the Federal Constitution. The impugned art XXXIA of the Kelantan State Constitution has the inevitable effect to

restricting the exercise by the plaintiffs of their fundamental right to resign from a political party, and to that extent this art XXXIA of the Kelantan State Constitution is unconstitutional, and is therefore void. If the phrase 'for any reason whatsoever' contained in the impugned art XXXIA of the Kelantan State Constitution is meant to include resignation of membership of a political party (which I think it does) then that part of the art XXXIA is also inconsistent with the provision of art 10(1)(c) of the Federal Constitution, and is void under art 4(1) of the Federal Constitution.¹⁹

It was only to be expected that these developments would lead to less cooperative centre-state relations, as both parties were frustrated by the outcome of the episode. The UMNO's electoral failure to stage a comeback in Kelantan had left the party without any representatives in the state legislative assembly, apart from Nordin and Najib. The APU, angered by the court decision, looked upon these two assemblymen as representatives of the court rather than the people.

Another constitutional issue that caused centre-state tension was the passage of the *hudud* laws²⁰ or the Syariah Criminal Code Bill, by the Kelantan state legislature on 25 November 1993. Among the punishments that the Kelantan government could impose under such a law were the amputation of hands for thieves, the administration of one-hundred strokes by cane for fornicators, and the stoning to death of adulterers.²¹ Because of the severity of these punishments, rigid evidentiary provisions relating to the number of witnesses, their character and the content of their statements needed to be met. For example, under the *hudud* laws, the conviction for theft required testimony by at least two adult males of known good character, who witnessed the actual theft of property, while *zina* (adultery) required four adult male witnesses, again of unblemished public standing, witnessing the sexual act taking place at close quarters. If such evidentiary conditions were not met, the accused was to be tried under *tazir*, with penalties including imprisonment, monetary fines and whipping.²²

Despite being passed unanimously in the state legislature, Kelantan was unable to implement the *hudud* punishments because the Constitution clearly stated that state law could not be in conflict with federal law (Article 75). And existing federal laws limited the criminal jurisdiction of the Syariah courts. Moreover, Syariah courts could only order punishments not exceeding three years imprisonment, fines not exceeding RM\$5,000, and whipping not exceeding six strokes for criminal offences. The federal law also provided that the Syariah courts lacked

jurisdiction unless all the parties were Muslim. Therefore, to enable it to implement hudud laws in Kelantan, the PAS-led government had to propose amendments to the Federal Constitution.

Referring to the laws as PAS-inspired, Dr Mahathir refused to recognise them. He made it clear that he was not against hudud laws as laid down in the Quran, but he did oppose PAS leaders' interpretation of the Quran with regard to these particular laws. 'This is politically motivated', he said. He indicated that 'the central government is worried if this problem will again ignite another *kafir-mengkafir* issue,' adding that: 'PAS *hudud* is not in line with modern Islamic thinking and inconsistent with conditions under which we live in Malaysia. The politicising of religious issues will only breach the peace within Malaysian society.'²³

Other UMNO politicians like Hamid Othman (the federal minister in the Prime Minister's department in charge of Islamic affairs) and Syed Hamid Albar (the Minister of Law) concurred with the Prime Minister, arguing that the majority of the laws were already in line with the principles of Islam, and that a partial application of syariah is a necessary compromise in Malaysia's multiracial and multi-religion society. They believed that Islam's limited role in the sphere of public law was 'a fair bargain for the unique benefits of the national unity', and that the implementation of syariah against non-Muslims would be an unjustifiable imposition.²⁴ UMNO leaders also questioned whether the PAS state government had the resources and expertise to implement such laws; it was necessary, they argued, that a team of qualified scholars, free from political commitments, be given the responsibility to interpret the laws if they were to be implemented. In fact, many UMNO leaders felt that the *hudud* laws which PAS had proposed had been introduced purely on political grounds to make the party look more Islamic to ordinary Muslims, and that the efforts being made by the federal government in implementing its own Islamisation policies as in the establishment of an Islamic banking system and the International Islamic University, the introduction of Islamic and moral subjects in the school and university curriculum, the increased Islamic content on radio and television, and the amendments to the penal code and criminal procedure code 'would prove to be more effective in educating non-Muslims than the PAS *hudud* laws'.²⁵

Apart from UMNO, the proposed *hudud* laws were also opposed by DAP leaders. Prior to the passage of the legislation, both Lim Kit Siang and Karpal Singh (Secretary-General and deputy chairman of DAP

respectively) had made it clear that 'DAP would go all out to oppose the proposal to implement *hudud* law in Kelantan and appeal to PAS leaders to recognise the rights of other religions in the country.²⁶ Their concerns were not only that these laws would unfairly encroach upon the civil status of non-Muslim, but that they would open the door to increased restrictions on non-Islamic religions.

Despite objections from the BN and DAP, Nik Aziz asserted that he would implement *hudud* laws in Kelantan. A key consideration for this decision related to the need by the PAS to seize more aggressively upon religious issues in order to boost its image as a more 'truly' Islamic party than UMNO. Having won its mandate in Kelantan, PAS was now under great pressure to give concrete form to its calls for a government run on Islamic principles. It therefore could not afford to be seen to be making the same compromises as UMNO on such issues, or to be neglecting the implementation of *hudud* laws - the essential requirement for the establishment of an Islamic state. Thus, the Kelantan government had every reason to want to focus attention on such highly visible Islamic reforms. Yet a dilemma remained over how a PAS-led Kelantan government could implement *hudud* laws if the BN government at the centre rejected such proposals. Legal experts whom I interviewed felt that Kelantan would have to bring its case to the federal parliament, where Articles 3 and 11 of the Federal Constitution, which guarantee freedom of religion, would have to be amended to accommodate the introduction of *hudud*. Kelantan could, though, request the federal government to allow *hudud* laws to be implemented only in Kelantan, in line with Article 76(1)(c) of the Federal Constitution, which read: 'Parliament may make laws with respect to any matter enumerated in the State List, but only (c) if so requested by the Legislative Assembly of any State'.

The refusal by the central government to support the implementation of *hudud* law provided a new focus for centre-state conflict. PAS leaders insisted that the question of the lack of expertise and resources on the part of the PAS did not arise; all the necessary guidelines and requirements had already been given by Allah in the holy Quran. The UMNO's refusal to support the implementation of *hudud* rather stemmed from the fact, as the author was told, that 'the component parties in the BN such as MCA, MIC and Gerakan would not support it. Therefore, to maintain good relationship with its component members, they objected to its implementation.'²⁷ Whatever the claims might be, it was clear that the *hudud* issue had been used by both the central and state governments to gain political mileage for themselves. It seems clear that the *hudud* law

proposal was introduced by the PAS-led state government to impress upon the *rakyat* that it was the more committed Islamic party. Yet it remains doubtful whether the Kelantan government was seriously committed to implementing hudud, for when Mahathir officially rejected PAS request to amend the Constitution, none of the seven PAS MPs tried to introduce a private members bill; if PAS had been serious enough, it should have directed one of its MPs to do so. Ironically, despite its reluctance to pursue the issue by means of a private members bill, PAS leaders claimed to the *rakyat* that *hudud* could not be implemented because the UMNO-dominated federal government refused to amend the Constitution - a clear sign of the lack of commitment by UMNO to the idea of an Islamic state. Yet undoubtedly, both the UMNO and the PAS were Islamic parties. The primary difference, as Shamsul Amri, a local political anthropologist, put it, was that: 'Mahathir introduced economic Islam, but PAS wants to introduce political Islam'.²⁸

CENTRE-STATE RELATIONS: THE QUESTION OF LAND

Another source of centre-state conflict is the question of land. According to Section 40 of the National Land Code, land is vested in the state authority. Subject to Article 76(4), the federal government has therefore no executive or legislative power as regards the disposal of state land or the compulsory acquisition of alienated land. This means that if the federal government wants to acquire state land for a federal purpose, it has to apply to the state government for the alienation of the land, subject to the payment of a premium and quit rent as agreed between the two governments. On the other hand, if the federal government wishes to obtain already alienated land, it may either buy it from its proprietor or seek the assistance of the state government to acquire it by compulsion under the land acquisition law. Undoubtedly, there can be problems for the central government in gaining access to land that it may want for its projects, especially when the state is under opposition control. As the federal Finance Minister once complained: 'there have been occasions when the central government had to halt its economic and development plans because of the lack of required approval of land from a state government'.²⁹ One notable example was the case of the *Lembaga Kemajuan Kelantan Selatan* (KESEDAR) land development schemes.

KESEDAR was a land development scheme established by the federal government in 1978 after the BN took over the control of Kelantan from the PAS. It was launched by Hussein Onn, the then Prime Minister

on 5 March 1978, with the objective of boosting the levels of the socioeconomic development in south Kelantan by providing houses, improving agricultural production, and encouraging industry and trade in the area. The KESEDAR land scheme covered an area of 1,237,131 hectares, of which 168,663 hectares was allocated for agriculture, 661,150 hectares was reserved for forest land, 127,326 hectares for settlement, and 214,834 hectares for other purposes.³⁰ The area is divided into three gugusans (zones), namely Gugusan Gua Musang, Gugusan Paloh and Gugusan Chalil/Lebir—all of which were located in the district of Gua Musang (about 175 kilometres from the capital city, Kota Bharu). The earliest schemes to be opened by KESEDAR were *Rancangan Kemajuan Tanah* (RKT (Land Development Scheme) Renok Baru, Sungai Asap and Jeram Tekoh in 1979; these covered an area of 6,805 hectares.

After UMNO lost control of Kelantan in the 1990 general election, KESEDAR suffered a setback when the state government, using its constitutional powers over land matters, took a number of administrative decisions that went against KESEDAR's interests. First, the state government froze the approval of new state land for KESEDAR on the grounds that KESEDAR had failed to bring material progress to settlers on the projects it already managed; the state government also revoked some 28,000 hectares of land reserved for KESEDAR, giving this to other agencies for development.³¹ The state government further announced that it would give land titles to settlers at eight KESEDAR RKTs (in Chalil, Lebir, Paloh Satu, Paloh Dua, Paloh Tiga, Renok Baru, Sungai Asap and Jeram Tekoh), because the land developments which KESEDAR had undertaken there were illegal.³² Moreover, the state government informed KESEDAR that action would be taken against its buildings, including its headquarters, which had been constructed on state government land without approval.³³ The state government also took over the control of the mosque built by KESEDAR in Gua Musang because the construction of the mosque was not approved by Majlis Agama Islam and Adat Istiadat Melayu Kelantan (MAIK, or Kelantan Malay Custom and Islamic Religious Council). MAIK had not approved the building of the mosque there because the people who resided in the area did not reach the minimum figure of forty, as required by law.³⁴ Indeed, the state government claimed that the formation of KESEDAR itself was illegal on procedural grounds. Deputy Menteri Besar II, Rozali Isohak explained to the author: 'KESEDAR was formed in 1978 through an act of parliament. Therefore, to make it legal it should have gone through the same process in the state legislative assembly. However, records showed

that KESEDAR was established without the endorsement of the state legislative assembly'.³⁵

The federal authorities were angered by these claims; one UMNO minister told me that in his view 'these actions were politically motivated with the intention to disrupt the administration of KESEDAR which had shown success in uplifting the living standard of the settlers'.³⁶ On the questions of settlers receiving land titles, Ariffin Said, KESEDAR's chairman, explained that 'it is not the intention of KESEDAR to block settlers from being given the land title but the time has not yet come because the settlers still owe debt to KESEDAR'.³⁷ Nonetheless Deputy Menteri Besar II, Rozali Isohak, maintained that the state government's action would be legal under the provisions of the National Land Code and the Land Acquisition Act 1960 (Amendment) 1991.³⁸

In fact, Rozali's statement was somewhat misleading. Section 340(1) of the National Land Code clearly stated that the rights and interests of the persons who had been registered as the rightful owner of the land could not be denied. Even though the state government now claimed that KESEDAR had developed land without its approval, some of the land in question had been properly gazetted to KESEDAR, which received a master grant for the three initial RKTs at Renok Baru, Sungai Asap, and Jeram Tekoh; the state government had no right to reclaim this land which had been subject to formal land titles.³⁹ However, KESEDAR had been given the land involved in the other eight RKTs by the previous UMNO government on the basis of verbal approval, and here the state government certainly could act. Article 83(1) of the Constitution stipulated that if the state land was needed for federal purposes, the federal government could, after consultation with the state government, require the state government to grant the federation such land as the federal government might direct; it is clear that the state government would be obliged to comply with such a request. However, in this case, KESEDAR had not entered any consultations with the state government before it started to develop the land involved in the other eight RKTs. It was this problem which led to the crisis.

What were the causes that led to this ongoing crisis between the two levels of government? In the view of those interviewed, the problems between KESEDAR and the state government arose primarily because of competition for power at state level.⁴⁰ The state government looked on KESEDAR as an instrument of its political enemies because its board of directors was controlled by UMNO politicians - notably Ariffin Said, who was the KESEDAR chairman and at the same time also the UMNO

division chief for Gua Musang and because only UMNO supporters were given places at the new RKTs. KESEDAR's refusal to accept three state representatives as members of the board of directors was another point of friction. Ariffin maintained to the author that the appointment of state representatives would have only created problems since their role would inevitably be partisan and disruptive.⁴¹ Yet, KESEDAR's refusal to accept state representatives had been in violation of the provisions of the act of parliament on the basis of which KESEDAR was established; this had specified that three members of the board of directors must be state government representatives. From the discussion above, it is clear that each party was using constitutional legalities to cause difficulties for the other as a means of undermining one another in an attempt to win popular support - all in the name of enhancing the development prospects of the state.

Pergau hydro-electric dam project was another development project that became a focus of dispute. The project is located in the district of Jeli, 75 kilometers southwest of Kota Bharu (near the border with Perak). When completed, some 500 hectares of land behind the dam would be covered with water. The project, the nineteenth hydroelectric dam of the Tenaga Nasional (TNB, or a national electricity board), was to be carried out on a turnkey basis by a British-Malaysia joint venture company, Kerjaya Balfour Beatty Cementation (KBBC). The project was started in 1990 and completed in 1996. It was financed by the federal government through a soft-term loan of £234 million from the British government (entailing an interest of only 0.809 per cent a year).⁴²

The project sparked controversy when the state government demanded in February 1992 that the tacit agreement covering the project between TNB and Kelantan's previous UMNO government be reviewed. The Menteri Besar, Nik Aziz, protested that Kuala Lumpur's original offer to pay RM\$1.2 million a year for drawing on the state's water resources was too low. The state government also demanded that the federal government pay special compensation of RM\$90 million for the loss of state timber revenue and land taxes, and a further compensation of RM\$330 million payable over fifty years.⁴³ BN leaders reacted by charging that Kota Bharu was deliberately politicising this issue.⁴⁴ Annuar Musa, the federal minister responsible for the affairs of Kelantan, threatened that if the state government refused to cooperate, the financial loans which were given to all states without interest to upgrade their water supply systems would not be given to Kelantan; he further threatened to halt payment of the capitation grant, the state road grant, and the

balancing grant for local government.⁴⁵

Relations between the central and state governments deteriorated further when Kelantan officials confiscated building equipment outside the dam construction site in a bid to halt work on the project. The crisis escalated further when on 2 July 1992 the state government ordered *Pejabat Tanah dan Galian* (PTG - Kelantan Land and Mine Office) to barricade the roads leading to the project site. On 10 July, the state government also directed PTG to stop any federal ministers from entering into the project site. Such behaviour by the state government prompted a furious response from the Prime Minister, Dr Mahathir: 'we cannot and we are not going to negotiate under pressure'.⁴⁶ The Deputy Energy, Telecommunications and Posts Minister, Tajol Rosli, said that the federal government would ask the state government to pay for the losses incurred as a result of their disruptive actions.⁴⁷

Kelantan Deputy Menteri Besar I retorted that the state government sympathised with TNB but felt that Kelantan should not be held responsible for the losses following its action in barricading roads leading to the project site from July 4 to 15 because 'there was no binding agreement yet. And there was no clause in the *aide memoire* between the Kelantan government and TNB that the Kelantan government should be liable for any loss incurred'.⁴⁸ Nik Aziz pointed out that the action was taken because the federal Finance Minister, Anwar Ibrahim, had delayed the signing of the memorandum of understanding between the state and federal governments on the implementation of the project, although a memorandum of understanding covering the compensation issue had been signed between the state and the TNB in March 1992: 'all matters at lower levels have been resolved. We are only waiting for them to be sorted out at the top level and it appears there are attempts to delay this'.⁴⁹ In turn, the federal Finance Minister denied that such a memorandum existed, arguing that the 'TNB signed an *aide memoire* with the [Kelantan] Government which only confirms the negotiation and proposals made by TNB and the Kelantan government during a meeting on March 2'.⁵⁰ He also maintained that the federal government had only delayed the signing of the agreement because the compensation asked for was not included in the earlier draft of the agreement when Kelantan was under UMNO.⁵¹ Whatever the explanations were given by Anwar, question remains as to why he delayed the signing of the memorandum of understanding with the state government? According to Deputy Menteri Besar II, Rozali Isohak, the conflict had been deliberately engineered in order to place the blame on the state government for obstructing a project of national

benefit and to support Anwar's political ambitions in relation to the UMNO party elections due in 1993.⁵²

This issue was finally resolved when a formal agreement was signed on 4 August 1992. According to its terms, the TNB agreed to pay the state government the following sum of money in four parts: (i) RM\$1,737,995 to be paid in a lump sum as payment of the land premium and taxes and the loss of timber revenue; (ii) RM\$63,000 as an annual payment for the land tax; (iii) RM\$11,500 as an annual payment for the license to reserve water, and RM\$117 million spread over thirty five years as payment to use the water; and (iv) RM\$667,000 as payment for the temporary occupancy license to use the land.⁵³ The agreement stipulated as a basic condition that the state cease its attempts to disrupt the project's implementation.

As in the KESEDAR case, the Pergau dam issue illustrates the reluctance of both parties to cooperate. It is clear that for matters under state jurisdiction, the PAS-led government was prepared to use its constitutional powers to cause difficulties for the central authorities, and for matters under federal jurisdiction, the central government sought to do the same. The aim of each party was to build up political support within Kelantan. And it was this competition for power at state level that was the primary factor contributing to centre-state conflict when the state was controlled by the opposition.

CENTRE-STATE RELATIONS: THE QUESTION OF FINANCE

During the previous fifteen years when the PAS had held power, Kelantan had remained Malaysia's most backward state; the federal government had seen no reason to allocate generous levels of funds to a state in opposition hands. When PAS lost to UMNO in 1978, the state's debts stood at RM\$74 million. In the twelve years that UMNO ruled Kelantan, the state government evidently went on a spending spree. Therefore, one of the main problems inherited by the PAS upon assuming power once again in October 1990 was the substantial debt left by its predecessor. In December 1990, the federal Deputy Finance Minister Loke Yuen Yov announced in parliament that the state government owed the federal government RM\$711.67 million, including RM\$10 million in annual interest payments alone. He said that RM\$73.72 million of this amount had arisen from measures to improve piped water facilities; RM\$74.34 from programmes to provide low-cost housing; RM\$308.61 from loans to assist the State Economic Development Corporation (SEDC); and

RM\$255.00 million for other purposes.⁵⁴ He stressed that in ensuring that the state government met its debt obligations, the central government would cease new financial assistance to Kelantan until the debt was cleared. Against such central government claims, the Menteri Besar was able to maintain that:

The state government could not be held responsible for the debt made by the previous UMNO government. It is ridiculous to accuse the APU government of owing some RM\$700 million to the federal government in just a few months we took over the office from UMNO. In 1978 when UMNO took over Kelantan from PAS we only owed RM\$74 million to the federal government. This shows that the UMNO government under Mohamed Yaacob spent state money extravagantly.⁵⁵

UMNO leaders knew, of course, that the PAS state government was not responsible for the huge debt. However, the issue of the Kelantan debt was purposely highlighted by UMNO leaders to send messages to the rakyat that without financial assistance from the central government, no state government could function effectively. To further prove its point, the central government also delayed the payment of constitutional and other discretionary grants to the state. For example, by the end of 1994, the central government had yet to pay the state the constitutionally stipulated grants of RM\$93.85 million for the financial year 1993;⁵⁶ such a delay in the payment of constitutional grants clearly violated both the Interpretation Act 1967 (Section 388) and Financial Procedure Act 1957 (Section 61), which defined a financial year as starting on 1 January and ending on 31 December the same year. A reluctant federal government would inevitably leave the Kelantan authorities with a limited capacity to undertake major development projects. With justification, the state leaders felt that the federal government's actions in denying financial assistance to the state was a form of intimidation. In retaliation, the state government, then, did not find itself willing to adopt a cooperative approach toward the federal government.

Another source of centre-Kelantan conflict was the attitude of the federal leaders in refusing to channel per capita payments to help assist religious schools in Kelantan. In 1992 and 1993, these were respectively worth RM\$906,649 and RM\$947,850. As a result, 22,400 Malay pupils in 72 religious schools in Kelantan did not receive the assistance that was due to them.⁵⁷ In response to complaints about this decision, the federal minister responsible for religious affairs, Dato' Dr Abdul Hamid Othman, said that the grant was not in fact required by the Constitution, and that

it was given at the discretion of the central government.⁵⁸ It is undeniably true that per capita payments to religious schools are not constitutionally guaranteed; but as a sign of fair practice, the central government should have used its constitutional powers as embodied in Article 109(3) of the Constitution which provides that 'Parliament may by law make grants for specific purposes to any of the States on such terms and conditions as may be provided by any such law' to make these payments to Kelantan, because other states ruled by member parties of the BN were receiving them. According to some Trengganu and Selangor state executive council members, their states were given assistance to the tune of RM\$1.1 and RM\$1.6 million respectively during the same year.⁵⁹ But as the then Deputy Finance Minister explained, the payments were delayed because there were other matters in dispute that needed to be cleared up with the state government: 'As the state delays the payment of its debt, so we also delay the payment of constitutional grants and other payments to the state'.⁶⁰

A similar disposition was evident in the federal government's actions in freezing progress on several development projects which had been approved under the Fifth Malaysia Plan 1986-1990. Among these were plans to enlarge Sultan Ismail Petra Airport requiring an allocation of RM\$430 million; a project to build an Islamic Academy in Bachok; and the North Kelantan Water Supply Project, requiring an allocation of RM\$130 million. The federal government also froze a loan to construct low-cost housing, which was badly needed and for which the state government itself could only afford to allocate RM\$2.7 million from its own resources.⁶¹ According to Yahya Othman, the federal government was concerned that the improved standard of air transportation would enhance the economic performance of the state by boosting tourism and attracting potential investors; that the completion of Islamic Academy in Bachok would further enhance the influence of PAS in an area where its standing was already high; and that the credit of the water supply project would go to the PAS-led state government.⁶² However, a senior treasury official in Kuala Lumpur denied discrimination against Kelantan. 'There is no policy directive saying reject projects for Kelantan. At the same time no one has requested us to go and assist'.⁶³

Clearly the discriminatory methods used by the central government in stopping financial aid to Kelantan violated the principles of sound federalism because they directly sought to weaken the position one of the constituent state governments. This underlines the potential impact of conflictual federal-state relations on the allocation of development funds

from the federal government to the state concerned. When a state was not viewed as being in line with the priorities of the federal leaders, clearly it risked becoming a target for financial sanctions. Continued tactics of discrimination by the central government in its attempt to undermine the PAS-led government in Kelantan was not conducive to the successful workings of centre-state relations, as the former Chief Minister of Penang, Lim Chong Eu, once noted: '[P]olitical blackmail can destroy the concept of a federation of states. This kind of mailed-fist central policies can lead to a disaster'.⁶⁴

CONCLUDING REMARKS

Huntington has argued that when rising expectations turn into rising frustrations, there is a strong tendency for the people to reject the party in power, no matter how well entrenched it might seem.⁶⁵ This fate certainly befell UMNO in the 1990 general elections in Kelantan when it suffered a humiliating reverse. UMNO leaders, who felt embittered by this shocking defeat, then utilised their control of the central government to discredit the PAS-led state government. Among other actions, UMNO discriminated against the state by not providing financial loans and financial assistance, and by capitalising on its control of central power to make the administration of the state difficult. The UMNO strategy caused marked strains in centre-state relations. For these reasons, some political observers have argued that Malaysia had deviated from any conventional understanding of the proper principles of federalism. Mogi, however, observes that political discrimination and conflict in a federal system cannot be avoided: 'no federal state in the world was conceivable without a continuous conflict between unitary and federal efforts'.⁶⁶

In the case of Kelantan, although there was considerable conflict between the central and state governments, to some extent, federal principles were still being observed, albeit in a limited fashion. Despite the leverage which the central authorities retained in Kuala Lumpur, Kelantan still enjoyed some autonomy over land matters, as shown in the cases of Pergau hydroelectric dam and KESEDAR land development scheme cases. The maintenance of state autonomy, as provided in the Constitution, proved that Malaysia was still a federation, or to be more accurate, in Wheare's terms a quasi-federal state.⁶⁷ There were two main sources of political conflict between the two levels of governments. Firstly, the unwillingness of both parties to cooperate reflected a primary competition for power at state level. The relations were ones marked by

cooperation when the state was under UMNO-controlled government, and tended to become conflict focused when it is controlled by a party which was not a member of the ruling coalition. The central government was reluctant to be cooperative for fear that this would simply bring advantages to the PAS in consolidating its position within Kelantan. Similarly, the state government was vary of cooperating with the central government for fear that its position in the state might be undermined by UMNO. Secondly, the reluctance of the central government to accept the people's right to choose a party other than the party that ruled at the centre (or a willing ally) was a reflection of an abiding insecurity of power at the centre - a fear that the seeds of autonomy vis-a-vis the centre, once sown, might take root and produce a vigorous growth that would spread to other states. It is because of this basic unwillingness that the central government punished the *rakyat* of Kelantan by shifting federal funds away from the state. Even though that is the case Malaysia still meets the conditions that allow it to be termed a federation - that there still exists a division of powers between the central and state governments. Whatever the political realities might be, the ultimate burden remained where it always had lain - with the *rakyat*, the people.

1. See, among others, James Chin, *Chinese Politics in Sarawak: A Study of Sarawak United People's Party*, Oxford University Press, Kuala Lumpur, 1996; Jayum Jawan, *Iban Politics and Economic Development: Their Patterns and Change*, Penerbit Universiti Kebangsaan Malaysia, Bangi, 1994; A.R.Kahin, 'Crisis on the Periphery: The Rift Between Kuala Lumpur and Sabah', *Pacific Affairs*, Vol. 65, No. 1, Spring 1992, pp.30-49; Nik Ibrahim Nik Mahmood, 'Some Constraints of a Federal System of Government on the Development Performance of a Competent State: The Case of Malaysia with Special Reference to the State of Kelantan', Ph.D. dissertation, University of Pittsburg, 1984; J.P.Ongkili, *Nation-building in Malaysia 1946-1974*, Oxford University Press, Singapore, 1985; B. Ross-Larson, *The Politics of Federalism: Syed Kechik in East Malaysia*, Bruce Ross-Larson, Singapore, 1976; and R.O.Tilman, *In Quest of Unity: The Centralization Theme in Malaysian Federal-State Relations, 1957-1975*, Occasional paper No. 39, Institute of Southeast Asian Studies, Singapore, 1976.

2. Kelantan is politically distinctive compared to the other states of the Malaysian Federation for several reasons. Firstly, the level of political awareness among Kelantanese are high, even though the state is economically backward. Election statistics show that Kelantan maintained the highest voter turnout in parliamentary and state elections between 1959 to 1990 (ranging from 75 to 83 per cent). Secondly, during the same period, Kelantanese electors cast the lowest level of spoilt ballots, even though the illiteracy rate in Kelantan was the country's highest. Thirdly, Kelantan is the only state (with the exception of Sabah from 1990 to 1994) that has experienced extended periods of rule by an opposition party. Since 1959 Kelantan had been controlled by the opposition *Parti Islam SeMalaysia* (PAS) for no less that fifteen years. Only in 1978, was the state finally captured by United Malays National Organization (UMNO), the dominant party in the

ruling National Front (*Barisan Nasional*, or BN) coalition. However, in the 1990 election, PAS regained the state, marking a milestone in the history of Malaysian politics, when the party literally eliminated UMNO from Kelantan.

3. Apart from the cooperation with PAS, Berjasa and Hamim in the APU, S46 also made an electoral arrangements with several non-Malay based parties - DAP, PRM, and the All Malaysian Indian Progressive Front (AMIPF) known as *Gagasan Rakyat* (People's Might) - with the hope of winning Chinese and Indian support in the Malay majority and mixed constituencies. In addition to giving the opposition alliance a multi-racial basis, it also helped resolve the ideological differences between the PAS (wanting to establish an Islamic state) and the DAP (desiring to promote the concept of a 'Malaysian Malaysia').

4. Asiaweek, 19 October 1990, pp. 35-37.

5. Hari Singh, 'Political Change in Malaysia: The Role of Semangat 46', *Asian Survey*, Vol. 31, No. 8, August 1991, 726.

6. *New Straits Times*, 13 October 1990.

7. *New Straits Times*, 16 October 1990.

8. 'Manifesto Pilihanraya PAS 1990: Membangun Bersama Islam', cyclosyded.

9. A.H. Birch, *Federalism, Finance and Social Legislation in Canada, Australia and the United States*, Clarendon Press, Oxford, 1957, p.306.

10. Interview in Limbongan, Pasir Puteh, 24 August 1991.

11. Interview in Limbongan, Pasir Puteh, 24 August 1991.

12. Interview with Wan Najib in Limbongan, 24 August 1991; and Nordin Salleh, in Sungai. Pinang, 25 August 1991.

13. Interview in Kota Bharu on 18 August 1991.

14. See Kelantan, *Perbahasan Rasmi Persidangan Kali yang Pertama bagi Tempoh Penggal yang Kedua Tahun yang Kedua*, Dewan Undangan Negeri Kelantan for 23-25 April 1991. Article 7(1) of the Federal Constitution reads as follows: 'No person shall be punished for an act or omission which was not punishable by law when it was done or made, and no person shall suffer greater punishment for an offence than was prescribed by law at the time it was committed'.

15. *Utusan Malaysia*, 4 July 1991.

16. *Berita Harian*, 4 July 1991.

17. *Ibid.*, 5 July 1991.

18. Article 10(1)(c) of the Federal Constitution stipulates that 'all citizens have the right to form associations'.

19. Nordin bin Salleh & Anor v. Dewan Undangan Negeri Kelantan & Ors, *Malayan Law Journal*, No. 1, 1992, pp.358-359.

20. *Hudud* refers to crimes for which penalties are laid down in the Quran (the holy book of the Muslims) or in the Sunnah (prophetic tradition) of the Prophet Mohammad. In other words, hudud punishment is prescribed as the right of Allah (God), and in this context, 'prescribed punishment' means that both the quantity and quality of punishments are pre-determined; neither individuals nor the community can vary what is laid down.

21. *Enakmen Kanun Jenayah Syariah (II) (Syariah Criminal Code Bill)*, Urusetia Penerangan Negeri Kelantan, Kota Bharu, 1993, Part 1.

22. *Ibid.*, Part II.

23. *Utusan Malaysia*, 26 November 1993.

24. See the press coverage in *Utusan Malaysia* and *Berita Harian*, 27 November 1993.

25. This summary statement is based on my discussions with top ranking Kelantan UMNO leaders during my field research in April-May 1995.

26. *Utusan Malaysia*, 4 July 1992.

27. Interview with Husam Musa, Kelantan PAS youth chief and political secretary to Kelantan Menteri Besar, in Kota Bharu, 3 April 1997. Also interviews with several other PAS leaders, including with Dr. Daeng Sanusi and Mohamad Sabu, both PAS MPs for Rantau Panjang and Nilam Puri, at the Parliament Building, on 26 March 1995.
28. Far Eastern Economic Review, 8 August 1996, p.22.
29. Berita Harian, 22 April 1991.
30. Kesedar Sepintas Lalu, n.d.[cyclostyled].
31. Berita Harian, 20 August 1993.
32. Berita Harian, 21 July 1994; and Utusan Malaysia, 27 July 1994.
33. Berita Harian, 25 September 1993.
34. Ibid., 21 September 1993.
35. Interview with Deputy Menteri Besar II, Rozali Isohak in Kota Bharu, on 17 November 1993. On the charge that the establishment of KESEDAR was illegal, Ariffin Said, KESEDAR chairman, insisted that its establishment was approved by the (BN-controlled) state executive council on 7 March 1979. Interview in Gua Musang, on 23 April 1995. At the time of the KESEDAR's establishment, he himself was a state executive council member.
36. Interview with Annuar Musa, Kelantan UMNO deputy chief and federal Minister of Youth and Sports, at the Parliament Building, Kuala Lumpur on 11 December 1993.
37. Interview in Gua Musang, 23 April 1995.
38. Interview in Kota Bharu, on 17 November 1993.
39. This is clearly stated in Article 84 of the Constitution, which deals with the interests in land vested in the federation for federal purposes. In the case of alienated land that has been purchased by the federal government from its proprietor and registered in the Federal Lands Commissioner Ordinance, 1957, if the federal government no longer requires the land, it is not obliged to dispose of it under Article 84. The federal government may sell the land without reference to (or consultation with) the state government on such terms and conditions as the federal government may think fit.
40. This information is based on discussion with several senior officials of both parties during my field research in Kelantan in April-May 1995.
41. Interview with Ariffin Said, KESEDAR chairman, in Gua Musang, on 23 April 1995.
42. Utusan Malaysia, 30 July 1992.
43. Berita Harian, 11 February 1992.
44. As one deputy minister told the writer: 'The state government fears that the giant project which was never implemented in Kelantan before would open the eye of the people that the federal government was honest and sincere in providing infrastructural facilities to the state'. Interview with the then federal Deputy Finance Minister, Dato' Mustapha Mohamed, in Jeli in April 1995.
45. Utusan Malaysia, 14 February 1992.
46. Ibid., 11 July 1992.
47. Ibid., 14 July 1992.
48. Ibid.
49. Star, 14 July 1992.
50. Ibid.
51. Utusan Malaysia, 15 July 1992.
52. Interview with Rozali Isohak in Kota Bharu, 17 November 1993. Anwar clearly had political ambitions to contest the post of UMNO deputy president in 1993. In the event, he did stand and won unopposed when Ghaffar Baba, the incumbent, withdrew.

53. Berita Harian, 5 August 1992.
54. Ibid., 22 December 1990.
55. Watan, 23 December 1990.
56. Harakah, 28 December 1994.
57. Ibid., 10 January 1994.
58. Interview with Dato' Abdul Hamid Othman, in Manchester, 23 November 1996.
59. Interviews with Rashid Ngah, Trengganu state executive council member in Besut, on 24 April 1995; and Dato' Dr. Zainal Abidin Ahmad, Selangor state executive council member on 23 June 1995 (both members were responsible for religious affairs in their respective states).
60. Interview with Dato' Mustapha Mohamed, the then Deputy Minister of Finance in Jeli, during the 1995 election campaign.
61. Ucapan Belanjawan 1995, Urusetia Pencerangan Kerajaan Kelantan, Kota Bharu, 1995, p.10.
62. Interview in Kota Bharu, 17 May 1991. Yahya Othman was a state executive member and a PAS state assemblyman for Banggol Judah. See also Wan Abdul Rahman, 'Pembangunan dan Perubahan Sosio-Politik Kelantan, 1955-1995: Suatu Tinjauan', in Mohammad Agus Yusoff, ed., Perkembangan dan Perubahan Sosio-Politik Kelantan, 1955-1995, Universiti Kebangsaan Malaysia, Bangi, 1995, p.256.
63. Interview with senior treasury officer in Kuala Lumpur, on 18 June 1995, who asked to remain anonymous.
64. Quoted in R.K. Vasil, *The Malaysian General Election of 1969*, Oxford University Press, Kuala Lumpur, 1969, p.35.
65. S.P.Huntington, *Political Order in Changing Societies*, Yale University Press, New Haven, 1968.
66. Sobei Mogi, *The Problem of Federalism: A Study in the History of Political Theory*, Vol. 11, George Allen and Unwin, London, 1931, p.796.
67. K.C.Wheare, *Federal Government*, (Fourth edition), Oxford University Press, London, 1967.