SABAH POLITICS UNDER PAIRIN

Mohammad Agus Yusoff

INTRODUCTION

This paper will examine the political events and issues that led to the deterioration of the relations between Kuala Lumpur and the state of Sabah after it came under PBS control in April 1985. In so doing, it will firstly examine the causes of Berjaya's disastrous performance in the 1985 state elections and the reactions of the federal leaders when the Berjaya party they supported lost power so dramatically. Secondly, it will discuss the development of centre-state relations during the period from 1986 to 1990, when PBS was not in opposition to the centre (as it joined the BN immediately after the 1986 elections). I will then analyse the Sabah state elections in May 1990 and the development of Sabah politics in their aftermath-particularly in the light of the defection of the PBS from the ruling BN coalition the following October at a highly sensitive stage during the 1990 federal parliamentary election campaign.

THE RISE OF PAIRIN'S PBS TO POWER

In January 1985, after winning the Tambunan by-election and having confidence that majority of the Kadazans and Chinese had become discontented with the Berjaya government's pro-Muslim policies and discriminatory actions against the Kadazans and Chinese, Pairin decided to form a new party, the Parti Bersatu Sabah (PBS, or United Sabah Party).¹ Within weeks of its formation in March, Pairin was even able to start attracting significant numbers of Berjaya members to his newly-formed organisation; before long "more than half of its members were ex-BERJAYA members."² Fearing that Pairin might succeed in attracting further support and more firmly establishing the new party in organisational terms, Harris dissolved the state assembly on 26 February 1985. This decision received Mahathir's support, even though he had earlier said that the next election in Sabah should be held to coincide with those in Peninsular Malaysia.³

In the election, despite of its formidable advantages, Berjaya suffered a stunning defeat. Berjaya retained only six seats, compared to the forty-four it previously held, and Harris Salleh himself lost his Tenom seat to Kadoh Agundong, a virtual unknown, by 895 votes. Mustapha's Muslim-based USNO, which had been expelled from the BN in 1984, captured sixteen seats, with the PBS winning a clear majority with twenty-six seats (including one Pasok candidate who had defected to the PBS). The PBS victory meant the emergence of a non-Malay, non-Muslim state government that was not part of the BN coalition.

There were several factors accounting for Berjaya's defeat. One was the highly personalistic style of leadership increasingly associated with Harris-the same faults of character as had been displayed by his predecessor Tun Mustapha. Whether or not Berjaya had become actually dictatorial in its practices towards the end of its rule is perhaps open to debate, but it must be acknowledged that even before the Tambunan by-election, anti-Harris sentiments on this score had been building. And when Harris announced that he would not step down since "there is no candidate to become Chief Minister," ordinary voters may have been convinced that Harris could only be ousted in an election.⁴ But other issues had clearly been instrumental in eroding Berjaya's support-and notably the growing of anti-federal sentiment due to the federalisation of Labuan and the large influx of aliens into the state. The former measure had aroused popular resentment especially when Sabahans learned that Harris, as Chief Minister, was going to gain personally from the transfer, and when they realised that the cession had occurred without any compensation for Sabah. The illegal immigrants issue had also worked in favour of the PBS. Pairin had placed marked stress on his accusations that the Berjaya government was not doing anything about the presence of Filipino immigrants in Sabah.5 It was widely believed that these Filipinos, mostly Muslim refugees, had been granted Malaysian citizenship in Sabah, even though they had only been in the state for a short period of time.6 This situation aroused public anxieties, as many feared that Filipino immigrants were benefiting from a federal plan to boost the state's Muslim population. Harris himself was later to lay the blame at Kuala Lumpur's door for Berjaya dismal performance in the election. In an interview with Paul Raffaele, he conceded:

In a way PBS's emergence was like a revival of the spirit of 1976. It was the Kadazan Christians and the Chinese up against the Muslim Malays.' The major difference was that in 1976 we were supported by a federal government anxious to bring down the ruling party while in 1985 we were supported by a federal government anxious to bolster the ruling party....There was no doubt that the vote was partly anti-federal government. I am sure that unless Kuala Lumpur changes its ways, the people of Sabah will continue to be alienated against the central government.⁸

After the PBS swept to power in the 1985 state elections, there occurred three significant developments that presaged the difficult relations that were to develop between Kota Kinabalu and Kuala Lumpur. These were the attempted 'dawn coup' by Berjaya and the USNO to wrest power from the winning PBS; the legal suit by Mustapha and USNO which sought to bring down Pairin as elected Chief Minister; and the orchestrated violence that occurred in the state after the election, resulting in the state assembly being dissolved only ten months after Pairin's PBS came to power.

THE DEVELOPMENT OF CENTRE-STATE RELATIONS, 1985-1990

Two weeks after the Yang di-Pertua Negeri dissolved the state assembly on 26 February 1986, there was an outbreak of political unrest which put the PBS government under great strain. The USNO and Berjaya launched a series of political demonstrations, while bomb blasts rocked the three largest cities in the state - Kota Kinabalu, Sandakan and Kudat. There were also instances of rioting and arson attacks as the demonstrators came onto the streets; cars and shophouses were burnt in a series of incidents that left five dead, dozens injured and millions of ringgits worth of property destroyed.⁹

The series of violent attacks on the PBS by USNO and Berjaya, with the alleged tacit blessing of the federal government, had failed to win over ordinary Kadazan and Chinese voters - and indeed were likely to have greatly antagonised them. Thus rather than forcing people to withdraw support for the PBS, the campaign of violence had backfired. As a consequence, when the election result was made known, PBS had surprisingly increased its share of the poll from thirty-seven per cent in 1985 to fifty-three per cent in 1986, and won thirty-four of the forty-eight elected seats, two more than the two-thirds majority necessary to amend the state constitution. The opposition won just fourteen - twelve for USNO, one for Berjaya and one for the SCCP.

Having won the elections, the PBS, well aware that the federal government held the vital purse strings to federal development funds, immediately reapplied to join the BN in order to avoid facing with the predicament of having scant access to development funding. (PBS had earlier applied to join the BN in 1985). Moreover, the PBS was anxious lest the federal government, backed as it was by a powerful internal security structure, seek opportunities to use its emergency powers to end the tenure of the PBS in office. The reapplication of the PBS to join the BN was finally accepted on 5 June 1986. It was to sit alongside USNO at national level, while resisting pressure from Kuala Lumpur to form a coalition government with USNO at state level. The BN had little choice but to accept the verdict of the people and to admit the PBS; to do otherwise would mean risking the loss of twenty parliamentary seats to the opposition at the next federal elections. This was a particular concern at this time because of the considerable inroads the PBS was making among predominantly Malay constituencies in Sabah and also because of the way the urbanbased DAP was apparently consolidating a position of some strength in Kuala Lumpur and in the populous urban areas in Penang and Ipoh.

With the admission of PBS to the BN fold, political stability returned to Sabah, with both the PBS and the BN leaders showing each other a public respect that recognised political realities and their limited potentials to project political power into the other's home ground and legal jurisdiction.¹⁰ The entry of PBS into the BN was welcomed by many as signalling better Kuala Lumpur-Sabah relations to come. Pairin declared: "it is good to be in this family," while PBS's secretary-general, Datuk Joseph Kurup, observed that "this proves that PBS is multiracial."¹¹ In view

of such assurance, the events that unfolded in the post-1986 period were to show that centre-state relations were still far from smooth and that the anti-federal sentiments among ordinary Sabahans remained strong; the physical distance between Sabah and Peninsular Malaysia continued to reinforce sentiments of regional autonomy and pride among many in Sabah.

For one example, the PBS government, after winning the 1986 state elections, had taken action to amend Article 18(2)(d) of the state constitution without prior consultation with Kuala Lumpur. The constitutional amendment, which was duly assented to by the Yang di-Pertua Negeri on 20 May 1986, specified that the Yang di-Pertua Negeri appoint a member of the party with the greatest number of seats in the assembly as Chief Minister, and that those assembly members who left the party on whose platform they had been elected to join another party would have to resign and face a by-election.¹² According to PBS officials, the amendment was introduced in order to prevent the constant practice of unprincipled politicians switching parties in search of the best financial prize for their political allegiance.¹³ As a result of the amendment, an elected or nominated assemblyman who "resigns or is expelled from or for any other reason whatsoever ceases to be a member of the political party of which he is a member" would have to vacate their seat in the assembly.¹⁴ The federal leadership opposed these amendments - publicly they thought them undemocratic, but informally they also viewed them as an attempt by Pairin to prevent discontented PBS members from defecting, thus reducing the BN's chances of luring PBS state assemblymen to switch to the ranks of its allies.

Another issue that was to cause strained centre-state relations was the largescale influx of Philippine migrants into the state. It was reported that the illegal immigrant population in Sabah had increased considerably from 80,000 during the days of the USNO government in 1976 to a figure of over 300,000 in 1985, though private estimates put the figure at half a million.15 The PBS had pointed out that though many had come as refugees their presence had created a multiplicity of social problems for the local population. Although the overall crime rate dropped by fifteen per cent between 1987 and 1988, the incidence of crime rate by 'foreigners' had risen steadily: sixty-five per cent of the crimes in 1988 were committed by illegal immigrants, of which eighty per cent were committed by Filipinos.¹⁶ To overcome the problems caused by this illegal immigration, the Pairin government took a tough stance on the refugee issue. Pairin expressed his belief that the influx of refugees had to be controlled, and that Filipino refugees must be eventually repatriated since they not only deprived Sabahans of job opportunities but also posed a serious threat to the state's security (he was clearly referring to the alleged involvement of Filipinos in the series of demonstrations and arson and bombing incidents that had occurred in the state in March 1986). Consequently, in July 1988 the state government implemented a new immigration policy under which all foreigners entering Sabah without proper travel documents faced deportation. Illegal immigrants were given up to 31 December 1988 to legalise their status. The federal Sabah Immigration Office made known that about 4,281 Filipinos were deported from Sabah during the first five months of 1989, among the 11,912 detained during the same period.¹⁷ The PBS's government's measures caused anger in Kuala Lumpur, as they were undertaken without proper consultation with the federal government.

Moreover, between the period 1986 and 1990, and unlike the preceding USNO and Berjaya regimes, which were seen to have ultimately become the subordinate clients of Kuala Lumpur, the PBS government sought constantly to voice the aspirations of Sabahans at the federal level. This representation was done with such vigour and persistence that it gradually began to provoke negative responses on the part of the federal leaders. According to Khong, and this was later confirmed by my interviews with several Sabahan politicians, the PBS leaders felt that the state is not getting a fair share of national expenditure and that its development concerns were being placed low on the federal government's list of priorities; given Sabah's relative backwardness, the expectations were that Sabah should receive a higher level of federal commitment.¹⁸ There was also unease over the appearance of staff from the Peninsula into the upper ranks of the Sabah administrative hierarchy. The dilemma for the state was that it needed federal assistance both in terms of skilled manpower and finance to plan and manage its development programme, but along with this assistance came many things which, if inevitable, were not necessarily desirable from the Sabahan's point of view since they unavoidably led to greater federal control.

Reflecting its concerns on the development front, the PBS pressed a number of demands which the party felt justified and legal. Among other things, the PBS asked for a greater share of the revenues earned by the state's natural resources, and more specifically argued that Sabah's share of its oil revenue should be increased from 5% to 50%, that is, to a level of equality with the federal government. Pairin also called for Sabahans to be given a greater role in the foreign service, federal ministries and policy-making bodies, for there to be greater federal funding priority for infrastructure development in Sabah, and for there to be more flights to the state at lower air fares.¹⁹

The PBS likewise complained that Sabah had suffered active economic discrimination by Kuala Lumpur. It cited, for example, the case of allocations for housing development. In 1985, before preparing the Fifth Malaysia Plan, the Housing and Development Authority of Sabah had conducted a survey of housing needs in Sabah for the period from 1986 to 1990. The outcome of the survey showed that there was a total need for 57,850 housing units of all kinds during the five-year period. Out of this total, some 13,600 units were to be low-cost houses. But the federal government allocated a sum RM\$42.22 million to build 2,848 units, and the state government a mere RM\$13.871 million to produce 750 units of low-cost housing. Subsequently, the amount was reduced by the federal government to only RM\$28.4 million.²⁰ As a response to PBS demands, the federal leaders began accusing the PBS of pressing claims that reflected an anti-federal outlook and a lack of loyalty to Malaysia. Thus, even though the PBS was in the BN, its membership was coming to seem in name only. It was inevitable that, in the end, PBS would be firmly branded

an anti-federal party.

Problems also developed over the position of Muslims in the state public service, with federal leaders accusing the PBS government of discriminating against Muslim district officers and civil servants. Since January 1986, it was alleged, nineteen district officers had been arbitrarily issued with transfer letters. Though PBS claimed these were regular, and hence normal transfers, one senior PBS leader admitted that "some [arbitrary] transfers did take place," primarily because the party felt that these officers were jeopardising its relations with its own supporters; he also stressed, however, that the PBS had also appointed Muslims to various posts, even though they were not allowed to have much say in policy making.²¹ For its part, USNO alleged that only three out of 180 state scholarships were given to Muslim students in 1985. Pairin denied these allegations of victimisation of Muslims, countering that eighty scholarships had gone to Muslim students, seventy-one to students from the various Kadazan groups, and twenty-nine to Chinese students.²²

Centre-state relations were worsened when the federal government took tough if sometimes questionable actions against PBS leaders. Less than six months after PBS came to power, Herman Luping, the Sabah state attorney-general and a senior PBS adviser, was charged with corruption. In April 1988, Federal Internal Revenue Department (IRD) officers raided the homes of prominent PBS leaders and state government ministers, included those of Deputy Chief Ministers Mark Koding and Chau Tet Onn, and state Finance Minister Bernard Dompok, leaving many Sabahans convinced that yet another attempt to bring down the PBS government was underway. The IRD denied that the questioning of PBS leaders had anything to do with politics. In 1989, the Anti-Corruption Agency (ACA, or Badan Pencegah Rasuah) began extensive investigations of the Sabah Foundation - then headed by Dr. Jeffrey Kitingan, the younger brother of Pairin - but no charges were brought. Yet in January 1990, Jeffrey was arrested and was later charged in the Kota Kinabalu High Court with seven counts of corruption relating to the export of timber. The PBS was angered by the federal government's actions in punishing state government leaders; such unwelcomed initiatives greatly aggravated relations between Kuala Lumpur and Sabah.

Other political rumblings surfaced in Sabah towards the end of 1980s. On the party front, factionalism surfaced in the increasingly strained relations between Pairin, who was also president of the Kadazan Cultural Assciation (KCA), and Deputy Chief Minister Mark Koding, who was president of the United Sabah Dusun Association (USDA). The disagreement between the KCA and USDA concerned the issue of determining the correct standard for the Kadazan language. The Dusuns and Kadazans are from the same indigenous stock - the Dusuns today being a more purely rural based community than the Kadazan-but their languages have developed along slightly different lines. The KCA wanted the standardised Kadazan (developed in colonial times for the British-administered educational system) taught as a secondary language in schools to help maintain Kadazan spelling, while the USDA sought a marriage of Kadazan and Dusun phonemes.²³ As a result of these differences,

34

Koding was suspended from the PBS and dismissed from the PBS government in August 1989, and a month later formed the Angkatan Keadilan Rakyat (AKAR). Pairin and other PBS leaders charged that the establishment of AKAR formed part of a grand design of federal politicians, who were anxious to see disunity between the Kadazan and the Dusun as a means of toppling the PBS government. As a result of this dismissal, Koding forced a by-election for his vacated assembly seat in Ranau in the heart of Kadazan country on 9 December 1989. Ranau voters obviously did not take kindly to what they saw as a further federal intervention. It was no surprise when the PBS triumphed with 57.26 per cent of the vote to Koding's 39.51 per cent.

Apart from AKAR, other splinter parties had also emerged. On 20 February 1989, a former federal cabinet minister and former Sabah Deputy Chief Minister, James Ongkili, once a Berjaya leader, founded the Parti Rakyat Sabah (PRS, or Sabah People's Party), which Sabahans believed was intended to siphon off the Kadazan votes that made up the majority of the support of the PBS. In August 1989, a further new opposition party, reportedly led by Harris, the former Chief Minister of Sabah, was formed; it was called the Angkatan Demokratik Liberal Party Sabah (ADIL). The public response to the establishment of these new parties, however, remained low-keyed.

In contrast, from the viewpoint of the PBS, the establishment of new parties was seen as an attempt to split the unity of the Kadazan community in preparation for a challenge to the position of the state government. Thus, it is clear that even though the PBS remained in the BN, its relations with the centre were by that stage far from cordial. Both sides harboured suspicions concerning the interests and objectives of the other. PBS had continuously emphasised what it considered to be primary state interests: greater autonomy, higher oil royalties, the return of Labuan to Sabah, a resolution of the illegal immigrants problem, the siting of a university in Sabah, and permission to introduce a Sabah television network. The centre, on the other hand, regarded the raising of such issues and attendant problems as manifestations of anti-centre demands or, still worse, of secessionist sentiments that were being deliberately fanned by the PBS. The accusations and counter-accusations by both parties resulted in increasingly strained centre-state relations. It was against such a background that in May 1990, a year before its term of office was to expire, Pairin dissolved the state legislative assembly without even choosing to inform Mahathir.

THE 1990 STATE ELECTIONS AND THE PBS'S DEPARTURE FROM THE BN

In the campaign that followed, the PBS produced a manifesto centred on the restoration of Sabah rights. Foremost among these was the demand that the federal government treat Sabah (and Sarawak) as equal partners with the Peninsular states as a collectivity - in this view, a return to the terms of the original 1963 Malaysia Agreement. The PBS also asked for the restoration of Labuan to state control, demanded that the present oil-sharing arrangement be revised on the basis of state-federal equality, and propagated the idea of 'Sabahan rights' as contained in the 'Twenty Points' and the Malaysia Agreement over such questions as Borneanisation, religion, language and education.²⁴ Furthermore, PBS pressed its long standing demands that Sabah be given its own radio and television network and a state university, and that the special rights given to Malays in Peninsular Malaysia under the Constitution also be guaranteed to all indigenous groups in Sabah, with no discrimination between Muslim and non-Muslim *bumiputeras*.²⁵ In contrast to the PBS demands, the federal leaders stressed the benefits of their plan to turn Labuan into an offshore financial centre, while insisting that an increase in oil revenues that benefitted only Sabah would not be fair to other states which did not have such precious natural resources. In response to PBS demands for greater state autonomy, on the other hand, the federal government accused the PBS of fanning 'anti-federal' sentiments.²⁶

The results of the 1990 state elections returned the PBS to power with a two-thirds majority, leaving the PBS with thirty-four seats and the USNO with fourteen. The other parties contesting the elections failed miserably. The Chief Minister Pairin viewed the results as "most heartening and beyond our expectations."27 The re-election of the PBS to the state government was a clear endorsement of its policies, particularly those towards the authorities in Kuala Lumpur. The federal leaders were not surprisingly unhappy with the election outcome, as they viewed the states rights agenda on which the PBS had campaigned as contradicting the spirit of the BN. Indeed Kuala Lumpur considered the Sabah regime as increasingly acting as if it represented another country, and was particularly sensitive over PBS calls to return to the original Malaysia Agreement under which the states of Sabah and Sarawak were equal partners with the then Federation of Malaya. The federal leaders also perceived the PBS victory as an encroachment of a minority over a majority - that is, the minority non-Muslim bumiputera over the majority Muslim bumiputera (the PBS for its part looked upon the relationship with the federal government in quite the opposite terms - as the encroachment of the majority over the minority).

Against such a background of friction between Kota Kinabalu and Kuala Lumpur, Mahathir dissolved the national parliament in October 1990. This meant that once again Sabah had to go to the polls, barely three months after the state elections. Initially the PBS chose to stand under the BN banner and was allocated fourteen of the twenty Sabah parliamentary seats. In the middle of the election campaign, Pairin then caught public opinion wholly unprepared when, on 15 October at Kota Kinabalu Town Hall, he announced to a crowd of some four thousand that the PBS was withdrawing from the BN and joining the opposition Gagasan Rakyat because the "Semangat manifesto was more in line with the aspirations of the PBS and the Sabah people." By withdrawing after nominations had closed, the PBS denied the BN of the opportunity to put up its own candidates in the fourteen seats allocated to the PBS. Federal leaders reacted with shock and anger at the PBS action, which a furious Mahathir termed "a stab in the back."²⁸ He swore not to readmit the PBS into the coalition and claimed that the decision to leave the BN was made by Pairin alone, without prior consultation with the other members of the supreme council of the PBS.²⁹

The results of the 1990 parliamentary elections were to demonstrate that the challenge of the opposition coalition had been repulsed; the BN was firmly returned to power at the national level, winning 127 out of 180 seats while the opposition Gagasan Rakyat and APU won forty-five, independents four and the PBS fourteen. The *Borneo Mail* (22 October 1990) was able to observe that "[t]he election results showed that the ground swell that the Gagasan grouping had hoped would materialise following PBS's sudden participation failed to crystallise." After the 1990 parliamentary elections, the pattern of centre-state relations dramatically changed. Prior to this, even though there were tensions, conflicts could still be dealt with within the unifying framework of the BN. However, when PBS pulled out from the BN to join the opposition, the scope for exacerbating already difficult centre-state relations was to increase sharply.

SABAH UNDER THE OPPOSITION PBS, 1990-1994

Relations between Kuala Lumpur and Sabah were indeed to reach an alltime low following the October 1990's federal election campaign. For Pairin, the PBS cooperation with S46 indicated that "we were working well within the context of Malaysia," but to Mahathir, whoever went against UMNO rejected everything that the national government stood for, since he felt that "Umno and the federal government are synonymous" in the Malaysian federal set-up.³⁰ Thus, embittered at the behaviour of the PBS, the federal government vowed not to cooperate with the state government.

Certainly Mahathir's promise not to cooperate with the PBS state government was soon to become a reality. After the PBS withdrawal from the BN, a variety of political pressures were applied to Sabah that set the scene for bitter post-election centre-state relations. One of the first steps taken by the federal government was the Prime Minister's actions in removing Chief Minister Pairin from his post as chairman of the federally controlled State Action Panel,³¹ and the pointed failure to invite the Chief Ministers of Kelantan and Sabah to a November 1990 meeting to discuss national policies and centre-state issues. Indeed, instead of inviting the Chief Minister to attend, Mahathir chose USNO's Sakaran Dandai, who was federal Minister of Land and Cooperatives Development, to act as the BN's point of liaison with the state.³²

Another step taken by the federal government was to use the police to harass PBS leaders whom Mahathir believed had been responsible in stabbing him in the back in the 1990 parliamentary elections. On 3 January 1991, Maximus Ongkili, Pairin's senior aide, was held for questioning under the ISA on suspicion of being a threat to national security through having inciting anti-federal sentiments. Two days after Maximus was picked-up, Pairin himself was arrested at a police checkpoint on the road leading to his office, and charged on three counts of corruption involving RM\$12 million worth of contracts.³³ The Pairin's trial received nationwide coverage, but in Sabah itself many voters saw it as yet another politically motivated attempt to undermine Pairin's position in the state. Pairin's act of corruption, which he was accused of having committed in 1985, had only become an issue when he left the BN. As one state assemblyman noted, "Mahathir want to show the people that Pairin is corrupt, but the people know he is just a political victim."³⁴

In May 1991, Jeffrey, Pairin's brother was arrested again under the ISA and accused of a secessionist plot to release Sabah from the Federation. Prior to his detention, four other Sabahans alleged to be plotting to pull Sabah out of the federation had been detained under the ISA for two years.³⁵ A former Sabah Deputy Chief Minister, Koding had alleged that the "PBS government planned to turn Pulau Balambangan, north of Kudat as its training military base to take the state out of Malaysia."³⁶ Commenting on the detentions, Pairin said that he was unaware of these people's involvement in any illegal activities and knew nothing of the alleged plans to set-up a mercenary-backed armed force. In an interview with a foreign correspondent, he remarked: "I do not believe there was actually such a thing....If the police have all the evidence, then I would imagine the next logical step is to bring these people to court to show the public what kind of a case they have."³⁷

Indeed, it is interesting to ask why Jeffrey and the other Sabahan ISA detainees were not charged in an open court despite the claim that there was 'concrete evidence' to document their alleged role in an armed conspiracy to take Sabah out of the federation? For his part Mahathir made it clear that he held Jeffrey and the PBS leaders directly responsible for the strained relations between Sabah and the centre. In his visit to Kota Kinabalu in 1991 to launch UMNO in the state, he said: "Before, Sabah people never hated the federal government or the National Front...[b]ut since the PBS came into power, statements were made [by Jeffrey]...to give rise to hatred against the federal [government], and poison the minds of Sabahans."³⁸ Based on Mahathir's statement, it is thus clear that these detentions were part of a strategy of political harassment - a sign that federal leaders would take forceful action to undermine those state leaders who posed an open threat to the interests of the centre.

UMNO's hostility to the PBS could also be seen, when earlier, on 21 February 1991, in cooperation with USNO, it sets up a branch in Sabah purportedly aimed at uniting all the *bumiputera* of Sabah and bringing the state back into the mainstream of Malaysian society. The PBS, however, viewed this as another example of central interference intended to increase federal control. And indeed, instead of appointing Mustapha's USNO to head the Sabah UMNO liaison committee, Ghaffar Baba, the Deputy Prime Minister and UMNO deputy chairman, was appointed as chairman, with Mustapha only being made deputy chairman. To consolidate the establishment of UMNO in Sabah, USNO members were encouraged to join UMNO, though eleven USNO state assembly members chose to remain within the old party due to

the "anti-hop" law - which forbade assemblymen from switching parties without returning to face their electors again. Only Mustapha resigned from USNO and his state legislative assembly seat of Usukan. The party presidency was then taken over by his son Amirkahar, who was also the state assemblyman for Banggi. Mustapha later won the by-election after a campaign characterised by large-scale expenditure by the contestants. In this by-election, Mustapha defeated his PBS opponent, former district officer Jap Omar, with a majority of 2,492 votes, only 150 less than his winning margin in the previous July's state polls.³⁹

Meanwhile the PBS, sensing that the advance of UMNO in Sabah would threaten its position, then took the initiative to strengthen its position by amending the Sabah constitution, just as it had done previously in 1986. Thus to block members of a political party from defecting, it had a new provision inserted - Article 18(2)(e) which stated that the assembly could expel a member for unbecoming behaviour or for abuse or betrayal of the mandate given by electorate of his constituency. The amendment, passed by a margin of forty-two votes to nine, was gazetted on 16 March, two days before a Supreme Court ruling on an earlier anti-hop case.40 Mustapha's UMNO immediately challenged the amendment in court. His counsel, Zaki Tun Azmi, contended that the amendment to Article 18(2)(e) was "too wide, too vague and gave the assembly an unfettered discretion to expel an elected member." He said Mustapha was seeking a clarification on his legal position and that of other members who changed parties to prevent them from losing their seats if the assembly invoked Article 18(2)(e) against them. He noted that Article 18(2)(e) was gazetted only two days before the Supreme Court decision on 18 March, and this indicated a political manoeuvre by the defendants to prevent the change from being challenged earlier. On the other hand, Sabah attorney-general, Stephen Foo, submitted that Mustapha had no reasonable cause for his action as it was not based on any existing fact or dispute and he had no locus standi. Foo said that Mustapha commenced the action even before Article 18(2)(e) was enforced and the suit was "premature, theoretical and academic."41

Mahathir continued to seek means of making advances in Sabah. In May 1993, he visited Kota Kinabalu to officiate at the Chinese-based LDP's second annual congress. He gave a speech telling his audience that their state could be "the richest state in Malaysia" if the BN were in charge. He also courted the Muslim community by announcing the appointment of Mustapha, who had firm control of the Muslim vote in the state, as federal Minister for Sabah Affairs.⁴² Confronted with this appointment, the PBS charged that the federal government's intention in re-establishing this portfolio was to discredit the state government; it viewed the appointment as creating within Sabah a "government within government." Similarly, many political observers believed that the re-introduction of the Sabah Affairs portfolio reflected federal unwillingness to accept the fact that the state was being governed by the opposition PBS. Although Mustapha was appointed to his post on 19 May 1993, he could not be immediately sworn in because Article 43(8) of the Federal Constitution stipulated that a state assemblyman should first vacate his seat before

assuming ministerial duties. To enable the appointment of Mustapha to take effect, on 19 July 1993, parliament approved an amendment to the constitution which allowed a state assemblyman who was appointed as a cabinet minister to retain his assembly seat. Hence on 20 August 1993, Mustapha was sworn in as federal Minister for Sabah Affairs. After he took the oath of office, Mustapha said his ministry's priority was to ensure that all people in Sabah, especially the poor in remote areas, could enjoy the full fruits of the country's development.⁴³

Another source of strained relations concerned the disputed interpretations of promised safeguards in the 'Twenty Points' agreement that paved the way for Sabah, Sarawak and Singapore to join the eleven states of the then Federation of Malaya to form the Federation of Malaysia in 1963. Sabah and the PBS understood these safeguards, which covered, among other questions, language, education, religion, immigration and finance to be permanent. The centre, however, thought that the special arrangements for Sabah were intended as interim measures which would eventually disappear. The feeling in Kuala Lumpur was that Sabah and Sarawak should be treated like any other states in the federation. The difference is clearly revealed in their choice of words; thus federal leaders in Kuala Lumpur spoke of Sabah 'joining' Malaysia, while Sabah leaders spoke of it 'forming' Malaysia. Thus, when the PBS continued to demand an increase in oil royalties, a separate television station and a university sited in Sabah but open to all Malaysians, the federal government saw these as indicating secessionist impulses.

THE DOWNFALL OF PBS AND THE RISE OF UMNO

As centre-state relations became increasingly strained, the Chief Minister Pairin abruptly dissolved the state legislative assembly on 10 January 1994, a week ahead of the scheduled judgment on charges that he had abused his position to award a contract for the construction of two-storey shop-houses to a company said to belong to one of his relatives. Pairin calculated that as the outcome of his corruption trial about to be announced, he might rely on a sympathy vote by ordinary Sabahans. As expected, the court found him guilty of corruption, but he did not have to step down as Chief Minister as the RM\$1,800 fine imposed by the judge fell short of the RM\$2,000 minimum required to disqualify him from office.

In a blow to Pairin's plans, shortly after the dissolution of the assembly the BN campaign received a major boost when Yong Teck Lee, the PBS deputy president as well as Deputy Chief Minister and state Minister for Industrial Development, announced that he was leaving the PBS and forming a new party, the Sabah Progressive Party (SAPP). Yong told a press conference of the urgent need for state-federal reconciliation in order to bring Sabah back into the mainstream of national development.⁴⁴ He said that the Chinese business community, which had a seventy per cent share of Sabah's economy, would simply bear further burdens if the PBS were re-elected. Once it was formed, there were a series of meeting between the leaders of the SAPP and the BN. On 4 February (three days before

nomination day), the federal Deputy Prime Minister, Anwar Ibrahim, announced in Kota Kinabalu that the newly-formed SAPP had been accepted into the BN and would contest the state polls on the BN ticket. Yet while Yong defected to the BN, the long-time hero of the Sabah Malay-Muslims, Tun Mustapha, resigned from his cabinet post as federal Minister for Sabah Affairs and announced his support for the PBS.⁴⁵ Given continued high public standing in Sabah, Mustapha's defection was expected to give PBS a major portion of the Muslim vote that would have otherwise swung to the Sabah UMNO. This development together with vote-pulling powers of Pairin, the widely admired *huguan siou* of the Kadazan, meant that the PBS was predicted as the winner of the election.⁴⁶

When the voting was over and the votes were counted, the PBS only managed to scrape through with a two-seat majority in the forty-eight seat legislative assembly. The PBS won twenty-five seats with the remaining twenty-three going to the BN (UMNO 18, SAPP 3, LDP 1 and AKAR 1). Compared to its performance in 1990 when it won thirty-six seats, the outcome for the PBS was disappointing. According to the final returns, PBS gained some 49.5 per cent of the votes (compared to some 53.9 per cent in 1990), while the BN parties won some forty-six per cent, with the remaining votes going to candidates of the smaller parties or independents. The Chinese vote proved decisive in the swing towards the BN. PBS defector Yong Teck Lee won his Likas constituency by a comfortable majority, as did two other Chinese ex-PBS assemblymen running on the east coast of Sabah. Soon after the results were announced on 19 February, Pairin rushed to the Yang di-Pertua Negeri's Istana to be sworn in as Chief Minister. The PBS leader found the gates locked; the Yang di-Pertua Negeri, who was appointed by the federal government, had seemingly been taken ill and was indisposed to see him. Pairin waited at the Istana gates, saying he wanted to prevent a repeat of the embarrassing episode that had occurred in 1985. It was only after a document was produced which had been signed by all the winning candidates of the PBS and which contained their pledges of loyalty to the party that Pairin was sworn in on 21 February, thirty-six hours after the results were made known.

But before the PBS-led government could settle down in office, the UMNOled opposition quickly encouraged defections from the PBS by offering various incentives, and within two weeks three PBS assemblymen announced they were defecting to the BN. These accusations were rejected by the UMNO secretarygeneral, Mohamed Rahmat, who said that many of the PBS supreme council members had themselves chosen to defect because they had lost confidence in its leadership "due to the poor election results: they were leaving the PBS for the betterment of their people and not for selfish interests."⁴⁷ To prevent further defections, Pairin decided to call for fresh elections and advised the Yang di-Pertua Negeri to dissolve the assembly (which had yet to convene), but the Yang di-Pertua Negeri refused, arguing that since the BN now had the numbers, it should be given an opportunity to form a government. The biggest blow to Pairin came when his younger brother, Jeffrey, who had recently been released from detention but still faced corruption charges, also crossed to the UMNO side on 14 March.⁴⁸ Jeffrey maintained that he was motivated by a desire to see better relations with Kuala Lumpur and that his decision had nothing to do with his political ambitions. He also stated that his move was also directed by his wish "to see more local participation in the federal machinery, and more resources directed to Sabah."⁴⁹ Later, two other key PBS politicians, Joseph Kurup and Bernard Dompok, the party secretary-general and Deputy Chief Minister respectively, also left to form new parties, subsequently aligning themselves with the BN. Subsequently, one after another of the PBS state assemblymen defected to the BN justifying their actions by stressing their hope for better state-federal relations and their confidence in the BN leadership. By 16 March, PBS had only five state assemblymen and five MPs who remained loyal to it, down from the twenty-five and fourteen respectively it had commanded previously.

In the light of this development Pairin resigned as Chief Minister on 17 March and in a short statement said: "It is a sad decision for me, but nonetheless I truly feel this is the most honourable thing to do under the circumstances."50 Pairin's resignation ended an extended personal stand-off with Mahathir, which many Sabahans believed had hindered better ties with Kuala Lumpur. Following Pairin's resignation, the BN's unique power-sharing arrangement saw a Muslim Sabahan, Sakaran Dandai, take the two-year rotation as Chief Minister on 17 March 1994, with Mohd Salleh and SAPP's Yong Teck Lee as Deputy Chief Ministers for the Muslim and non-Muslim communities respectively. A third non-Muslim bumiputera Deputy Chief Minister was not appointed immediately, but this post was later given to Joseph Kurup, a former PBS minister and the president of the Parti Bersatu Rakyat Sabah (PBRS, or United Sabah People's Party), which he had formed immediately after the elections. At the same time, Dompok registered the Parti Demokratik Sabah (PDS, or Sabah Democratic Party), and Jeffrey emerged as leader of his Parti Bersatu Demokratik Sabah (PBDS, or United Sabah Democratic Party). These parties were all accepted into the BN, making the Sabah government a coalition of seven parties (UMNO, three Kadazan parties and three Chinese-based parties). Dompok's PDS, which included eleven former PBS assemblymen, was therefore the strongest Kadazan party, and he was given a federal ministership. With Jeffrey being made a deputy federal minister, Kadazan representation in the nine-man state cabinet was only Joseph Kurup; this was a marked reduction compared to four previously.

The coming to power of the BN government meant that Sabahans' democratic right to vote their own government into power had been denied by the simple fact of candidates from the majority party defecting to the opposition after the vote. This was made possible because the 'anti-hopping' provisions of the Sabah state constitution had been declared null and void by the Supreme Court.

As far as Sabah-Kuala Lumpur relations are concerned, the assumption of power by the BN improved the long strained relations between Kuala Lumpur and Sabah and brought increased federal support for the state's development. But the displacement of the PBS government had only deepened the resentment of many Kadazans over "Malay-Muslim hegemony" in Sabah, adding to existing anti-federal sentiments. Many Sabahans believed that the defections from the PBS which allowed the BN to form the state government were "nothing but the breaking faith of the voters' trust."51 In a backlash against the behaviour of the BN, in the April 1995 parliamentary elections, Sabahan Kadazans strongly supported the PBS. Even though PBS won only eight out of twenty parliamentary seats, it, however, captured all five Kadazan majority seats. PBS candidates easily defeated several senior BN candidates who had crossed over to the BN; Dompok, the PDS president and Minister in the Prime Minister's Department, and Jeffrey, Pairin's brother, who was federal Deputy Minister of Housing and Local Government, lost their contests. Other BN candidates who lost primarily because they defected from PBS were Monggoh Orow, Othman Menudin and Joseph Von Shin Choi. The loss of these leaders further reinforced the perception that many Sabahans remained angry with the defectors, whose actions had changed the landscape of Sabah politics. After the 1995 federal elections, a small number of former PBS leaders who defected to BN resigned and went back to the PBS, claiming that Sabahans, especially from the Kadazan community was being victimised by UMNO.

CONCLUDING REMARKS

It is clear that Kuala Lumpur-Sabah relations have since the middle 1980s been characterised by a contested dominance on the part of the federal government, and that the 'contests' between the federal and state governments, unequally balanced as they were, were numerous and spread across constitutional, administrative, financial and political spheres. In constitutional terms, the problems that hampered the smooth cooperation of centre-state relations were the states' rights questions which were pursued by the PBS state government under the leadership of Pairin, with these deriving in turn from the original 'Twenty Points' document that had formed the basis for the accession of the two Borneo states to the Federation of Malaya in 1963. But the core agenda of issues here was considerably expanded by the demands of the state government that the island of Labuan be returned to Sabah, that a much larger proportion of the oil revenues produced by Sabah be retained by the state, that radio and television stations be established in the state, and that bahasa Kadazan as part of Sabah language be taught at school where Kadazan form a substantial share of the pupils - all demands of which were contrary to national priorities. Administratively and financially, the conflict between the state and the centre arose from the perception of the state leaders that they were being discriminated against by the federal government, resulting in only a modest and seemingly grudging flow of federal finance to support the state's development.

Politically, it is apparent that the severe strains in centre-state relations occurred because of the perceptions of an ongoing struggle for control of the state reduced the incentives of the leaders on both sides to cooperate with one another, even when the PBS was formally part of the BN. In a context of lack of trust and

43

mutual tolerance, the avenues of political communication between leaders at both levels of government were closed because each party viewed its own political struggle in terms of ultimate victory or defeat, causing accommodation and compromise on even the smallest issues to become difficult, if not impossible. This point was underlined by the withdrawal of the PBS from the BN coalition government in the run up to the 1990 parliamentary elections due to its dissatisfaction with the lack of responsiveness of the federal government over a number of issues which the Sabah leaders saw as matters of 'states rights'. After this development, Kuala Lumpur leaders became more determined than ever to exert maximum pressure to dislodge Pairin and his party from power; this they managed in the end through the device of establishing the UMNO in Sabah, and later, following the inconclusive 1994 elections, by achieving the downfall of Pairin's government by a series of parliamentary intrigues whose integrity was unlikely to be accepted by large parts of the Sabah electorate. If the central leadership had won a major victory in bringing down the Pairin government in 1994, they clearly had done so by means that left the position of their local allies highly insecure and had at the same time sewn the seeds of future centrestate conflicts which, if not managed with greater tolerance and understanding than had been shown over the previous decade or so, would leave open the question of the longer term stability of Malaysian federalism.

ENDNOTES

Prior to receiving approval from the Registrar of Societies on 5 March 1985, Pairin was expected to take over the leadership of the United Pasok Nunukragang National Organisation. The Pasok president, Ignatius Malanjum was to cede the party helm, becoming its deputy president. But on 5 March, when Pairin received approval from the Registrar of Societies for the formation of his PBS, these plans collapsed. Once the PBS was registered, Pairin invited all Pasok members to join him instead - an offer the Pasok leaders declined on the ground that they did not want to disappoint their supporters. Pasok, however, did express willingness to enter into an electoral pact with the PBS regarding the constituencies each would contest. See Far Eastern Economic Review (FEER), 21 March 1985, p.55.

2 James P. Ongkili, "Political Development in Sabah: 25 Years After Independence," in Jeffrey G. Kitingan and Maximus J. Ongkili, eds., Sabah: 25 Years later, 1963-1988, Institute for Development Studies, Kota Kinabalu, 1989, p. 75.

3 G.P. Means, Malaysian Politics: The Second Generation, Oxford University Press, Singapore, 1991, p.157.

4 "Star", 4 April 1985.

5 "Daily Express", 24 April 1985.

6 Under Article 19 of the Federal Constitution, non-citizens who would want to become Malaysian citizens had to reside in the Federation not less than ten years.

The confession by Harris that Berjaya lost because of the cooperation between the Kadazan and Chinese communities against Berjaya was confirmed in my interviews during various research trips to Sabah. These communities feared that their rights were being encroached upon by the Harris government. The overzealous promotion of Islam by the state government and the curtailment of the cultural activities of other communities in the state were seen by the Kadazans as a threat to their rightful place as the state's principal community. The Chinese too, the majority of whom resided in urban areas, felt disillusioned with Berjaya since they were being required to pay higher property and land taxes, the increased rates being in some cases more than three times the old ones. They also well remembered Harris' actions in discriminating against the Chinese-dominated Sandakan constituency at the 1982 parliamentary elections, when the Berjaya government had cut funds for street lights and development to Sandakan after the opposition DAP won the seat

8 Paul Raffaele, Harris Salleh of Sabah, Condor Publishing, Hong Kong, 1986, p.426.

9 **FEER**, 3 April 1986, p.15.

10 G.P. Means, op.cit., p.165.

11 Quoted in J.F. Ongkili, "Federalism and Parochialisom: Relations Between Kuala Lumpur and Sabah," Journal of Contemporary Asia, vol. 22, no. 4,1992, p.535.

12 "Asiaweek", 15 November 1985, p.21.

13 Personal communications with PBS officials at PBS headquarters, Penampang Sabah on 17 March 1997.

Karim Ghani, state assemblyman for Bongawan constituency, was the first to be affected by this amendment, when he was expelled from the USNO for a breach of party discipline. He then applied to High Court to have the law declared null and void, contending that the state assembly was not empowered to make laws with respect to a matter of disqualification, and that Article 18(2)(d) of the state constitution was inconsistent with the "essential provisions" contained in Part 1 of the Eighth Schedule to the Federal Constitution. It was also argued that the Sabah state legislature had illegally and unconstitutionally taken away the powers of the federal parliament to legislate on the same subject as provided for by Article 74(1) of the Federal Constitution and Item 6 of the federal list. See Abdul Karim bin Abdul Ghani @ Karim Ghani v. **The Legislative Assembly of the State of Sabah**, 1988, pp.460-463.

15 Sabihah Osman, "Sabah State Elections: Implications for Malaysian Unity," Asian Survey, vol. 32, no. 4 (April 1992), p. 382.

16 FEER, 16 March 1989, p.25.

17 Paridah Abd. Samad and Darussalam, "Malaysia-Philippines Realtions: The Issue of Sabah," Asian Survey, vol. 32, no. 6 (June 1992), pp.563-64.

18 See Khong Kim Hoong. "Leadership Crisis in Sabah," Ilmu Masyarakat

(Julai-September 1987), pp.24-25; and "Federal-State Relations in Malaysia," In Hairany Naffis, ed. **Politik Malaysia Dekad 1990-an**, Prosiding Seminar Politik Malaysia ke IV, Jabatan Sains Politik, UKM, Bangi, 1992, pp.35-36.

19 FEER, 8 February 1990.

20 V.A.Sham, "Development ofe Public Housing in Sabah, 1963-1988," in Jeffrey G. Kitingan and Maximus J. Ongkili, eds., Sabah: 25 Years Later 1963-1988, Institute for Development Studies, Kota Kinabalu, 1989, p.275.

21 Interview with senior PBS leader, in Kota Kinabalu on 22 March 1994 and 16 March 1997; he asked that his identity not be revealed.

22 FEER, 27 March 1986, p.15.

23 Ibid., 31 August 1989, p.11.

24 Ibid., 21 June 1990, p. 13.

25 Sabihah, op.cit., p.381.

26 **FEER**, 28 June 1990, p.18.

27 Ibid., 26 July 1990, p.9.

28 "Star", 17 October 1990.

²⁹ "Berita Harian", 23 October 1990. Subsequently, responding to these allegations, Deputy Chief Minister Bernard Dompok confirmed that the decision was made unanimously by the PBS supreme council ("Star", 11 July 1992). He said that "in any federated system the news of state and federal leaders differed on occasions just as in any family. We, however, must be honest and not be afraid of voicing our state's and constituents' view on what needed to be taken into account in the process of building a Malaysian nation" ("Star", 11 July 1992). Similarly, Pairin also insisted that "the decision was a collective decision of the supreme council and there should be no pointing of fingers" ("Star", 16 July 1992).

30 FEER, 21 March 1991, p.25.

31 The State Action Panel was responsible for federal government-funded development projects, and also oversaw implementation of state-funded projects in Sabah.

32 Mohammad Agus Yusoff, **Politik Kelantan Selepas Pilihanraya 1990**, Terbitan Tak Berkala Dunia Melayu No. 13, Institut Alam dan Tamadun Melayu, Universiti Kebangsaan Malaysia, Bangi, 1994, p.71.

33 Under the first charge, Pairin was accused of corruptly rewarding several relatives listed as being on the board and shareholders of Rimkaya Sdn. Bhd., a company awarded a contract worth nearly RM\$1.5 million for the construction of twelve units of two-storey houses in Tambunan. In the second, Pairin was charged with having approved a RM\$10.5 million road contract to Pakarama Sdn. Bhd., of which his brother-in-law, Justin Alip, was then a director and shareholder. The third charge claimed Pairin gave a 2,000 hectare timber concession to a ten-member grouping, one of whom was a relative. Pairin was released on a bail of RM\$1.5 million. For further discussion, see *FEER*, 17 January 1991, p.10; and Ongkili, op.cit., p. 541.

34 Interview with a PBS state assemblyman for Kadamaian, Baggai Basirun, in Kota Belud, on 17 February 1997.

35 **FEER**, 21 June 1990, p.13.

36 "Star", 26 May 1993.

37 **FEER**, 17 July 1990, p.11.

38 Ibid., 21 march 1991, p.25.

39 Ibid., 23 May 1991, p.12.

40 "Star", 26 May 1993.

41 Ibid., 19 May 1993.

42 This is not the first time a federal Minister of Sabah Affairs portfolio was created. In 1960s, during an earlier period of difficult relations with the Sabah government, this post was established by Tunku to provide a link between Sabahans and the federal leaders; thus far only Sabahans had been chosen for this somewhat short-lived portfolio. Peter Lo was the first to hold the post until January 1965, when Donald Stephens succeeded him, only to resign in September that year. Mustapha then occupied it until April 1967. It remained vacant until Ghanie Gilong filled it in August 1968; and once he left it to become federal Minister of Justice in May 1969, the portfolio not occupied again until the appointment of Mustapha in May 1993.

43 "Sunday Star", 22 August 1993.

44 "New Straits Times", 24 January 1994.

45 Mustapha himself did not stand in the elections. However, two of his sons (Amirkahar and Badaruddin) did enter the contest on the PBS ticket. Mustapha, former president of USNO and the founder member of the UMNO in Sabah, fell out with UMNO in 1993 after one of his main patrons in the Peninsular UMNO, Ghaffar Baba, was forced out of UMNO's deputy presidency in an internal UMNO party election. Mustapha was one of the UMNO divisional chiefs who supported Ghaffar in his struggle with Anwar Ibrahim.

46 James Chin, "The Sabah State Election of 1994: End of Kadazan Unity," Asian Survey, vol. 34, no. 10 (October 1994), p.910.

47 "Aliran Monthly", vol. 14, no.6, 1994, p.37.

48 As mentioned earlier, Jeffrey had been detained for two years under the ISA on charges of plotting to take Sabah out of Federation; upon his release, he had worked hard to turn PBS into a party acceptable to the federal government, but had failed. After his defection, he was appointed a federal deputy minister. Government prosecutors later dropped seven graft charges against him without explanation. See "New Straits Times", 15 June 1994.

49 FEER, 31 March 1994, p.18.

50 Ibid.

51 Personal communications with many Sabahans in February and March 1997.