

ETHNIC TERRORISM AND CO-OPTATION: THE CASE OF MALAYSIA AND PHILIPPINES

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Abstract

In political science research, the studies of terrorism try to explain the phenomenon by looking at the type of political regime. One prominent finding is that partial democracies with factionalism experience more terrorist incidents than the other types of regimes (e.g., full democracies, full autocracies, and partial democracies without factions). By looking at two factional democracies from Southeast Asia, Malaysia and Philippines, this thesis argues that factional democracies do not always experience the same level of terrorist incidents. Malaysia experiences very low level of incidents than Philippines. Malaysia's experience of terrorism is closer to autocratic regimes within the region than its counterparts. Hence, this thesis explores other factors that can determine the different rates of terrorist incidents between the two cases, and it contends that the ability of state to co-opt factions within the society by policy concessions and promotion of public welfare can convey stable factional democracies with very low level of domestic terrorist incidents.

Keywords: Terrorism, Factionalism, Co-optation.

Chapter (1) - Ethnic Terrorism and Co-optation – The case of Malaysia and Philippines

1.1 Introduction

Comparative politics usually explains terrorism by variables such as regime type, political institution, and state-society relationships. Political science usually explores the relationship between variation in regime type and variation in terrorism. Studies of terrorism usually apply large-N comparative analysis by using cross-country time series data to find whether there are significant relations between the two variables. One of the findings from these studies is that partial democracies with factionalism (independent variable – IV) have distinctly higher rate of terrorist incidents (dependent variable – DV) than the other regimes (Korotayev, Vaskin, and Romanov 2021; Chenoweth 2013). The terrorist incidents peaked in partial democracies with factionalism during 1983-1998 and 2007-2010 periods (Chenoweth 2013, 358). This thesis examines whether the relationship exists in Southeast Asia region. According to Global Terrorism Database – GTD, Southeast Asia was one of top seven regions with high level terrorist incidents during 1983-1998. However, it became one of top three regions, following South Asia and Middle East & North Africa regions, in 2007-2010 period. Following the advice of Babara Geddes (1990), this thesis avoids choosing cases on dependent variable, and hence, it chooses two cases from Southeast Asia – Malaysia and the Philippines – based on regime characteristics. According to the indices used by Goldstone et al. (2010), these two cases can be identified as partial democracies with factionalism.

In their study of political stability, Goldstone et al. (2010) used two variables from Polity scales – competitiveness of participation (PARCOMP) and executive recruitment (EXREC) – to classify different regime types. PARCOMP and EXREC are used by following the two concepts Robert Dahl used – contestation and participation – to classify forms of government (Ibid, 195). Factionalism is coded as value “3” in PARCOMP scales which means a polity possesses “parochial or ethnic-based political factions that regularly compete for political influence in order to promote particularist agendas and favor group members to the detriment of common, secular, or cross-cutting agendas” (Marshall, Gurr, and Jaggers 2017, 27). According to this measurement, only Malaysia, Philippines, and Thailand show factional value during 1983-1998 and 2007-2010 periods (see Table 1). Among three cases, unlike the other two, Thailand has experienced multiple military coups in its contemporary history and its democracy regimes are relatively short-lived than the two other cases. From methodological point of view, it is better to compare cases similar to each other in order to control other variables which are not interested by hypothesis. For this purpose, this thesis examines only Malaysia and Philippines.

Table 1: Years with Factional value in Southeast Asian countries

Country	PARCOMP scores
Cambodia	3 (1993-1996), (2013-2016)
Indonesia	3 (1948-1958)
Laos	3 (1959-1960)
Malaysia	3 (1969-2017)
Myanmar	3 (1948-1961)
Philippines	3 (1944-1971), (1987-1991)
Singapore	-
Thailand	3 (1935-1940), (1942-1951), (1955-1957), (1969-1970), (1974-1975), (1978-1991), (2007-2013)
Vietnam	-

Source: Polity V: Political Regime Characteristics and Transitions, 1800-2018

In addition to its increasing rates of terrorist incidents, Southeast Asia has been usually been mentioned as the second front of the ‘war on terror’ among policy circles (Swanström and Björnehed 2004). The emergence of transnational terrorist organizations such as Jemaah Islamiyah

(JI), Abu Sayyaf Group (ASG), and the presence of domestic ethnic rebel groups which often use terrorist tactics in their operations such as Moro Islamist Liberation Front (MILF) from the Philippines, the splinter group of Moro National Liberation Front (MNLF), and Gerakan Aceh Merdeka – GAM (Free Aceh Movement) from Indonesia, and Barisan Revolusi Nasional – BRN (National Revolutionary Front) from Thailand show that Southeast Asia is also an important region for terrorist organizations. Most importantly, Southeast Asia presents different outcomes in terrorist incidents, according to Global Terrorism Database – GTD (LaFree and Dugan 2007). Interestingly, factional democracies – Malaysia, Philippines, and Thailand – show variation in rates of terrorist incidents. While Philippines and Thailand experience very high rates of incident, Malaysia's experience of terrorist incidents is much lower than the former two and even lower than military regimes – Myanmar and Indonesia. The rest of the countries with different forms of authoritarianism are also stable with no significant terrorist incidents. Therefore, it is puzzling to see the variations in terrorist incidents between factional democracies. Hence, the main research question of this thesis is as follow:

RQ: Why do factional democracies produce various rates of domestic terrorist incidents?

In terms of terrorist incidents, the focus of the thesis is domestic terrorism. Terrorism is not monolithic. There is variety of terrorism distinguished based on the differences in orientation of organizations which usually include religion, ethnicity, ideology, and grievances emerged out of exclusion and discriminations. Moreover, terrorism can also be differentiated upon the level of operation carried out by the organizations. Generally, in this regard, domestic and international level of operation can be observed. This thesis examines domestic, for the level of operation, and ethnicity-oriented organizations, for the type of terrorism. Moreover, literature on ethnic terrorism also shows that presence of multiple ethnic groups and grievances produced by exclusion of

minorities from political offices are the motivating factors for the emergence of terrorist campaigns by ethnic groups (Boylan 2016; Choi and Piazza 2016; Hansen, Nemeth, and Mauslein 2020). Therefore, polities with factional democracy and presence of multiple ethnic groups can be predictors for emergence of ethnic terrorism.

Both Malaysia and Philippines have different ethnic groups with socio-economic inequalities among them and exclusion of particular ethnic groups from decision-making centers. In Malaysia, the affirmative policies targeted towards *Bumiputeras* groups render Chinese and Indian groups into second-class citizens. In Philippines, state-sanctioned migration policies and poor public services have created poor living conditions and low level of growth in Southern Philippines where Muslim minorities inhabit. Despite the similarity in these background conditions, Malaysia and Philippines experience different degree of domestic terrorism.

This thesis contends that the responsible factor for this difference can be the difference in the capacity of state in each case. It draws literature from political survival and argues that the capacity to co-opt rival elites and successful provision of public welfare can create different trajectories among factional democracies. In other words, factional democracies can be contained within conventional electoral politics, and subsequently, violent domestic resistance such as terrorism can also be deterred if the state allows large coalition regime and resources are distributed also towards population to decrease the chances of popular outburst. The presence of this factor of state capacity should play decisive role in Malaysia for its relatively low degree of terrorism and it should be absent in Philippines.

Chapter (2) - Literature Review

2.1 Debates in Terrorism

Scholars explain the phenomenon of terrorism in various ways including background conditions – political system and socio-economic situations, organizational dynamics, individual motives, and ideological orientations. Martha Crenshaw, one of the most famous scholars in terrorism studies, distinguishes between general background conditions, such as political exclusion and grievances produced by such exclusion, and immediate stimuli, such as repression by state and violent incidents, as responsible factors in explaining terrorism (Crenshaw 2011, 34-50). Since the field of terrorism studies is interdisciplinary, approaches in explaining the phenomenon are diverse, including approaches from social movement studies, anthropology, criminology, sociology, psychology, political science, international relations, and human geography (Chenoweth et al. 2019). Although terrorism literature is composed of multiple approaches, it is not without discernible trends. One observation of these trends summarizes that the explanation of terrorism across disciplines can be classified into two major hypotheses. Firstly, terrorism is explained as the *tactical* choice by opponents of governments because it is less costly and less demanding, in terms of mobilization, recruitment, resources required, and constructing command system, than undertaking insurgencies and civil war (Goodwin 2019). Secondly, terrorism is employed as *retaliation* against extreme repression by state. Opponents such as minority rebel groups and other clandestine organizations choose terrorism as a means of revenging states which are usually stronger than non-state opponents (Ibid).

Political science research explaining terrorism as a cheaper and easier way of exercising violent political opposition and a retaliatory response to repressive regimes were commonly embraced before the September 11, 2001 attacks in the United States by Al Qaeda. As the

publications on terrorism increased sevenfold between the decade before 9/11 and the decade after it, the number of contributions to this body of research by psychologists also significantly increased and displaced the dominance of political scientists in terrorism research during the twentieth century (Phillips 2021, 1). Together with these changes in academia, another explanation for causes of terrorism also became prominent in the literature. *Radicalization* of potential terrorists through ideological indoctrination has become a pronounced explanation in terrorism studies after the 9/11 (Goodwin 2019).

This shift in trend coincides with a dichotomy between ‘old’ and ‘new’ type of terrorism ostensibly constructed by some scholars, but also refuted by others. Some scholars define new phenomenon of terrorism as one perpetrated by organizations formed by religious orientations and exercise of terrorist acts by these organizations as expressive (i.e., the attacks are carried out simply for expressing the capacity of organizations, not as a means for certain ends) and more indiscriminate in target selection (Crenshaw 2009). They contrast these characteristics with assumed ‘ole’ trend of terrorism, that was before the 9/11 attacks, which were perpetrated by centralized organizations and having practical and negotiable goals. However, Crenshaw gives a lot of examples from the history of terrorism which share affinity with characteristics used to construct a new trend of terrorism and argues that the construction of new trend in terrorism is used to justify liberty restricting domestic surveillance policies and application of brutal interrogation methods to arrested suspects (Ibid).

In terrorism, it is hard to make such kind of taxonomies. Fortna (2015) falsifies the idea of terrorism as a ‘weapon of the weak’, conventional wisdom in literature, and shows that it can also be practiced by organizations which are strong in terms of resources, technology, and manpower. Crenshaw opens her widely cited article on causes of terrorism by saying that “[t]errorism occurs

both in the context of violent resistance to the state as well as *in the service of state interests*” (emphasis added) (Crenshaw 1981, 379). Goodwin argues that terrorism as a tactic or strategy may be used by any one or group by refuting the explanations of the phenomenon as solely generated by radicalization, retaliation, and small clandestine organizations (Goodwin 2019). Therefore, it is hard to find academic consensus in theoretical explanations for terrorism. However, it must be acknowledged that terrorism can be frequently observed in situations where respective stakeholders participate in extremely violent political encounters (Ibid).

2.2 Ethnic Terrorism & Domestic Armed Conflicts: Can exclusions and grievances trigger terrorism?

Ethnic terrorism or ethnonationalist-terrorism, which is the main focus of this thesis, is generally defined as the deliberate use or threat of the use of violence by sub-national groups formed along the line of ethnicity for political purposes (Byman 1998, 151). By doing so, it instills climate of fear within a rival ethnic population and discourage them to stay within a region where perpetrators’ ethnic group exists (Ibid, 150). Scholars studying this specific phenomenon of terrorism values the distinction of ethnic terrorism from other types such as religious, ideological, anti-colonial, single-issue-orientation as in the case of eco-terrorism (Hirsch-Hoefler and Mudde 2014), for analytical clarity and policy implications. Since the goals of organizations exercising terrorism as a tactic are different, it is analytically fallacious and practically dangerous to assume that every organization using terrorism is the same in their nature and implement or recommend the singular policy package for combating terrorism in every situation. For instance, goals of sub-national groups with religious orientations are usually to overthrow the existing system and impose singular world-view upon society while ethnic rebels almost always demand political participation and elevation their ethnic group status within society comparing to others (Pluchinsky 2014, 34).

Sometimes, ethnic terrorism can also be expressive. Instead of material benefits and political participation, ethnic insurgencies are undertaken to make ethnic identities politically salient and increase the intragroup loyalty and allegiance (Byman 1998, 154). Therefore, it is imperative to study ethnic terrorism as a particular strain of terrorism which is different from other strains.

Not only it matters for intellectual purpose, but ethnic terrorism is also vital in reality. Ethnic terrorism is the most frequently found terrorist incident at domestic level (Stanton 2019). In fact, more than one-third of ethnic rebel groups employ terrorism as a tactic in fighting civil war or in waging insurgency (Boylan 2016, 256). Moreover, terrorist attacks are the most frequently observed attacks by these groups and cause the greatest number of casualties comparing to other types of political violence (Ibid). In this specific case of terrorism, empirical data and theoretical arguments explaining the causes of civil war, ethnic conflict, and communal riots are usually applied to understand the use of terrorist violence by insurgents and recommend policy solutions to tackle the political and socio-economic roots of ethnic terrorism.

Exclusion of some ethnic groups from political participation, discrimination to ethnic minorities by states, and grievances of minorities towards majorities and states are usually considered as independent variables for explaining the emergence of domestic terrorism. There are studies which explore whether there is statistical correlations between the practices of ethnic exclusion and grievances in minority groups generated by discriminations and incidents of terrorism (Boylan 2016; Hansen, Nemeth, and Mauslein 2020; Choi and Piazza 2016; Gleditsch and Polo 2016). They hypothesize that the presence of ethnic minority groups who are treated in exclusionary and discriminatory ways by states increase the likelihood of emergence of domestic terrorist organizations.

It is undeniable that these works contribute valuable observations and relevant theoretical explanations for the phenomenon and help the field to progress by incorporating new variables into the investigations. However, they also have certain shortcomings. Notwithstanding the use of large samples and statistical robustness of the findings, reliability of results and generalizability of hypothesis are still questionable. Seung-Whan Choi claims that presence of multiple ethnic groups and grievances among them may be necessary in explaining the use of terrorism by ethnic groups, but it is not sufficient to say that grievances trigger the terrorist incidents (Choi 2021, 3). For him, it is the emergence of leaders who use nationalist ideology to legitimize their regime and garner popular support that can trigger the terrorist incidents within a territory (Ibid).

At this point, the conclusions from the literature on terrorism about the triggers of the phenomenon can be relevant for the puzzling nature of ethnic terrorism. As mentioned in the previous section, terrorism is not monolithic and the causes of terrorism can be varied. Acknowledging the weakness of certain minorities and their desperation to be recognized as equal members of their nation may be necessary for explaining ethnic terrorism, but it is not sufficient to explain the variations in incidents in different cases (Goodwin 2019). Therefore, there may be factors specific to different cases and these cases need to be explained separately.

Now, it is clear that explaining ethnic terrorism based solely on grievance theory has limitations. It is not that straightforward to claim that presence of discriminated minorities will trigger terrorist responses from these groups. The grievance theory is missing the link between exclusion and the emergence of terrorism. Exclusion and discrimination within society either by state or majority groups cannot automatically activate terrorism among resented groups.

Malaysia, one of three cases studied by this thesis does not conform with the grievance theory. Malay is an ethnically diverse society with majority Malay ethnic group and other different

minority groups. There are preferential treatments towards Malay majorities by the Malaysian state which constitutionally regards Islam as the “religion of the federation” (Hamid 2018). Non-Malay ethnic minorities are constitutionally discriminated when the Federal Constitution defines the identity of a “Malay” as one “professes the Muslim religion, speaks the Malay language, conforms to Malay custom” (Ibid, 366). Compared to the Philippines, Malaysia experiences very low level of terrorist incidents. Although Malaysia experienced communal riots between Malay majorities and non-Malay minorities such as Chinese in 1967 and 1969, and the then-government had to declare the state of Emergency, it has not endured severe terrorist attacks. Meanwhile, the Philippines experienced secessionist movements from Moro which is the political name of 13 Islamic ethnic groups since 1970s. A radical separate group of Moro, the Moro Islamic Liberation Front (MILF), the Abu Sayyaf Group (ASG) which is internationally recognized terrorist group, and other rebel groups are responsible for very high numbers of terrorist incidents in Philippines. Meanwhile, there are roughly 5% of Muslim population in the Philippines (Croissant & Lorenz, 2017, 215). Therefore, unlike Philippines, very low level of terrorist incidents in Malaysia with no separatist movements despite the presence of factionalism and ethnic minorities needs to be explained by another variable. There should be another variable which determines the different outcomes among two cases. For that matter, this thesis draw support from the literatures of authoritarian regime and state-centered explanations of terrorism in order to fill in the missing link in the grievance theory.

Chapter (3) - Theoretical Framework

3.1 It's politics, stupid! Co-optation and Terrorism

The grievance theory explains terrorism by studying group-level justification for waging violent political opposition. It sees the political manifestations of groups perpetrating terrorist acts and demands they are making against governments. There is another dimension explaining terrorism differently from the grievance theory. The state capacity in handling political violence such as ethnic conflict and communal riots also matters for extreme case like terrorism. Such kind of inquiry usually look at the ability of state to repress or accommodate when it faces with violent opposition. General hypothesis of state capacity thesis is that states with good records in governance are less likely to experience domestic terrorism. That status of state capacity can incentivize (disincentivize) dissented groups to engage in extreme violent strategies (Hendrix and Young 2014; Blankenship 2018; Larue and Danzell 2020) . Scholars consider such kind of state capacity as political opportunity structure which can influence the choice of political opposition methods by dissented groups.

This thesis is different from the grievance theory for it examines the response of states when it faces groups with grievances towards state and explain the presence (absence) of terrorism by ability of state. Meanwhile, the grievance theory focuses more upon the presence (or absence) of resentment among ethnic groups or discriminations towards them to predict the emergence of terrorism. It checks whether state as an actor can contain these grievances within mainstream political competition (i.e., non-violent politics such as electoral politics and interest groups mobilization). Therefore, exclusions and discriminations will not directly explain incidents of terrorism as the grievance theory does.

However, this thesis is also not free of pitfalls. Defining state capacity and operationalizing it for analysis are also contested. Like the other concepts in political science, state capacity also is fuzzy and vulnerable to different interpretations and validity issues (Hendrix and Young 2014). But the literature of state capacity offers some useful operationalization for analysis. Hendrix and Young (2014) operationalize state capacity into two dimensions – military capability and bureaucratic/administrative capability. The authors look for multiple indicators such as quality of public service, meritocracy in bureaucracy, and judiciary independence to measure state's bureaucratic capabilities (Ibid, 340-341). In order to redress injustices and inequalities, ability of state to come up with coherent policy packages is more vital than the use of violent repression.

State capacity approach favor political dimension of dealing with dissents than direct security measures (Blankenship 2018; Hendrix and Young 2014). One important lesson from state capacity thesis is that combating terrorism using brute forces can only increase the likelihood of terrorism unless political means of accommodating dissents are not included (Hendrix and Young 2014, 358). Therefore, this thesis focuses upon the ability of state when it faces with communities divided along ethnic identities and sprawling inequalities among them.

Regarding to the ability of state to deal with grievances, this thesis draws argument from the selectorate theory of political survival articulated by Bueno de Mesquita et al. (2005) in their work – *“The Logic of Political Survival”*. They argue that the size of selectorate, a group of population with institutional means to select leaders, and that of winning coalition, a group of population with essential resources vital for the survival of incumbent, matter for the longevity of a regime and welfare of the population. The leaders of regime sustained by small winning coalition are required to distribute private benefits or club goods to the members of coalition to ensure the loyalty of these members (Ibid, 334). Therefore, there will be less provision of public goods for

the whole selectorate and population out of the selectorate, disenfranchised group, and hence, domestic resistance can be ignited from these groups (Ibid, 362). Therefore, it is theoretically informed that population who cannot get chance to participate in winning coalition will prefer larger winning coalition and larger selectorate. The small winning coalition of incumbent predicts the private distribution of rents in the form of clientelistic exchange between the incumbent and its supporter. On the other hand, regimes with larger winning coalitions are logically required to implement society wise public goods distributions. Therefore, regimes with ability to provide public goods for larger selectorate can probably stabilize the society more than those which distributes private rents to small coalition members.

Since the interested cases of this thesis are partial democracies with limited civil liberties and barriers for political participations, the provision of public goods for stability in these cases should be seen as co-optation of regime's selectorate. Since the cases are not full democracies, incumbent officials' relationship with selectorate cannot be understood through democratic accountability framework. At this point, the literatures on authoritarian stability are useful because they see relationship between leaders and selectorate through co-optation framework (Bertocchi and Spagat 2001; Gandhi and Przeworski 2006; 2007; Gerschewski 2013). These literatures are based upon the assumption that force alone cannot sustain political power. Regardless of regime type, there must always be mechanisms which can channel supports towards the regime and prevent destabilizing forces.

Gandhi & Przeworski (2006, 2) mention two mechanisms for co-opting potential opposition to authoritarian regimes, namely 'policy concessions' and 'distribution of rents'. According to Gerschewski (2013, 22), co-optation means 'the capacity to tie strategically-relevant actors (or a group of actors) to the regime elite'. For that purpose, regimes can distribute private

benefits to their allies or families or institutions supporting the regimes such as military, political parties, religious authorities, mass organizations, or business corporations. They can also give non-material concessions towards these stakeholders in terms of public policies which guarantee ‘political freedoms, national security, general economic growth’ (Mesquita et al., 1999, 149).

Based on this literature of explaining political stability and survival of incumbents, this thesis hypothesizes that the ‘*co-optation*’ as a state capacity plays a role in stabilizing regimes in divided societies and it can decrease the likelihood of emergence of terrorist incidents. Co-optation exercised by the ruling regimes will be used as an independent variable which explains the variation in outcomes of political opposition. Lack of co-optation will lead towards the inability to garner support from the selectorate and disenfranchised population, and consequently, domestic resistance in the forms of protests, insurgencies, civil war, and terrorism will be followed.

The formal stipulation of this thesis hypotheses is as follow:

H1: Factional democracies can be stabilized by co-opting selectorates through policy concessions.

H2: Factional democracies using co-optation strategy can decrease the likelihood of domestic terrorist incidents.

In the following paragraphs, the meaning of co-optation as a state capacity used by this thesis will be explained.

However, this thesis will interpret the effect of co-optation in a slightly different way. While the original meaning of co-optation, according to the literature, as policy concessions and distributing material benefits will be retained, another form of co-optation also is added. It is called ‘*affirmative action*’. Affirmative action usually refers to the policy programs which aim to address the socio-economic inequalities generated by differences in identity based upon gender, ethnicity, religion, and language (Ratuvu 2013, 1). The actions can be institutionalized system designs such

as quota-based political representation enshrined in states' constitution, or it can also be informal networks of patronage built by elites in the name of affirmative action (Ibid, 7). Similar to co-optation, affirmative actions are used to appease dissented minorities and accommodate their demands for stability of political regime. This is not to assume that affirmative actions are one of the tools of autocratic regimes to control their oppositions and distribute rents to their supporters. This thesis assumes affirmative action as a part of the co-optation strategy used by political regimes to deal with disadvantaged groups which can be both minority and majority depending on context.

At this point, it becomes clear that inequalities and grievances produced by discriminatory practices alone may not trigger terrorist incidents. The effects of discrimination can be attenuated by state. This also implies that factionalism with identity-based political organizations, such as political parties, interest groups, and community-based organizations, may be necessary for terrorism to occur, but it is not sufficient to foster non-state rebel groups to employ terrorism as one of their tactics. If factionalism will not always lead to terrorism, there can be a situation when factional politics does not fuel the politics of violence, especially terrorism. There can be a possibility that politics largely shaped by group interests at the expense of society-wise benefits can be contained to not evolve into violent situations. Since Malaysia has not experienced extreme political opposition, terrorism in this case, as in the case Philippines even though it also has discriminatory policies and practices towards minorities, this thesis claims that reason for its relatively stable domestic politics can be explained by politics of co-optation towards critical stakeholders. As Mesquita et al. (1999) explain, there are always critical selectorate and winning coalition which should be engaged by ruling regimes for its stability and survival.

Chapter (4) - Research Methodology

4.1 Research Design

In social science research, generally perceived differentiation for research methods is between quantitative and qualitative traditions. Since this thesis interests in understanding the causes of variation for terrorist incidents among factional democracies, it applies case study method for probing the hypotheses stated in the previous chapter. According to John Gerring, case study is referred to “*an intensive study of a single unit for the purpose of understanding a larger class of (similar) units*” (emphasis original) (Gerring 2004, 342). Since it is already obvious from his definition, it is only required to add that case study can also be more than a single case. The case study method’s strength lies in its ability to identify the ‘*causal mechanism*’ which connects independent and dependent variables (Ibid, 348). While quantitative study uses large-N cases over-time for the purpose of identifying the effect of changes in certain variable(s) – X over another variable(s) – Y which is(are) to be explained, it is not always clear from the proven covariation between these variables that changes in X directly causes changes in Y. Sometimes, it is required additionally to find intermediate variables which serve as causal mechanism that connect X and Y. For that matter, case study methods with intensive analysis of single (or) few cases is usually applied.

In comparative studies, comparing few countries is useful when ‘the nuances specific to each country’ are studied with a ‘middle level of conceptual abstraction’ (Landman, 2003, 27). And since the thesis wants to find the reason why are variation seen among similar countries, it will use the Most Similar System Design (MSSD) (Tarrow 2010). The MSSD is used when the research wants to ‘identify the key features that are different among similar countries and which

account for the observed political outcome' (Landman 2003, 28). The outcome is terrorist incidents in this thesis.

Since this thesis wants to explain variation in terrorist incidents (Y) in the factional democracies from Malay Archipelago sub-region of Southeast Asia, which share similarity in having divided societies, it is required to conduct in-depth exploration of these countries. As lengthily discussed in the literature review and theoretical framework, presence of discriminated ethnic groups and political organizations formed along ethnic cleavages cannot automatically trigger terrorism. It is imperative to explore which intermediate factors are responsible for various rates of terrorist incidents among democracies with those social cleavages. Therefore, this thesis selects two similar cases from the Malay Archipelago which show variation in terrorist incidents despite their similar background dimensions.

This thesis employs paired comparison because studying details about background conditions and in-depth analysis will be compromised if more than two cases are studied. The number of variables not included in the study will also increase with the increase in cases (Tarrow 2010, 246). Moreover, paired comparison of cases with extreme values of dependent variables can provide valuable insights for the interested relationship. Notwithstanding their similarity in regime type and presence of heterogenous demography in both cases, the two cases chosen in this thesis possess two extreme values of dependent variable – Philippines with very high number of terrorist incidents and Malaysia with very low incidents. Therefore, it is unlikely that the effect of co-optation of selectorate is influenced by case selection. The comparison of the mainstream case, Philippines in this thesis, which confirm the relationship of factionalism and terrorist incident, with deviant cases, Malaysia, can provide better explanation for terrorism than comparing mainstream cases (Ibid, 249).

4.2 Concepts and Operationalization

For terrorism, the variable that is to be explained, this thesis uses widely held definition of terrorism. Notwithstanding the being of terrorism as a '*essentially contested concept*', there are generally included features of terrorism whenever it is defined. One prominent feature of terrorism which distinguishes it from other forms of political violence is its *communicative use of violence* – mentioned by Crenshaw as “[t]errorist violence communicates a *political message*; its ends go beyond damaging an enemy’s material resources” (emphasis added) (Crenshaw 1981, 379). Widely used formal definition of terrorism is as follow –

“[t]errorism is the premediated use or threat to use violence by individuals or subnational groups against noncombatants in order to obtain a political or social objective through the intimidation of a large audience beyond that of the immediate victims.” (Enders, Sandler, and Gaibullov 2011, 321).

This thesis understands terrorism as this definition which is also shared by the Global Terrorism Database (GTD) (Global Terrorism Database 2021, 11). Inclusion of political objective and generating fear within society in definition terrorism has merits because it can help to exclude other violent acts such as assassination, genocide, conventional warfare, criminal acts, and extorting money, from incidents of terrorism. It is also useful to distinguish between insurgencies and guerilla warfare undertaken by rebel groups in civil war and terrorist acts conducted by the same groups. Spreading climate of fear within the society and indiscriminately or randomly targeting noncombatants are distinguished features of terrorism. However, the GTD does not include state terrorism which is also a legitimate concept to describe violent acts exercised by state agencies that can be categorized as terrorism (Blakeley 2012). Another concept to be clarified is defining domestic terrorism. Domestic terrorism is one where perpetrators, victims, and venue of violence are from the same country. Hence, this thesis’s focus is upon ethnic terrorism, which is

also domestic terrorism, it will only focus on incidents undertaken by rebel groups in Malaysia and the Philippines. These data of terrorist incidents will be extracted from the GTD.

To measure the independent variables, the thesis will apply following ways of operationalization. For co-optation, the thesis will find if significant stakeholders essential for stability of incumbent regime are provided with policy concessions and distribution of resources. The policies implemented by states in Malaysia and Philippines will be examined whether they are successful in co-opting selectorate population in each case. In order to complement the qualitative study of two cases, the variables from V-Dem dataset are used to triangulate data on co-optation. In V-Dem indices, there are three particular indices that can be used to identify the nature of relationship between selectorate and incumbents, the qualities of public services received by selectorate, and the nature of winning coalitions in two cases. This thesis uses following indices for to complement its qualitative analysis : “Party linkages (v2psprlnks)”, “Regime most important support group (v2regimpgroup)”, “Regime support groups size (v2regsupgroupssize)”, “Power distributed by social group (v2pepwrsoc)”, and “Access to public services distributed by social group (v2peapssoc)” (Coppedge et al. 2022).

This thesis recognizes that its usage of different types of evidence may not conform with the rules stipulated in the literature. However, it is suggested by field research literature that triangulation in data collection, which means “. . . collecting data . . . from multiple sources”, can be useful because it incorporates multiple viewpoints in considerations (Kapiszewski, MacLean, and Read 2015, 29). Following this logic, the assumption behind the use of indices from open source datasets is that the selection bias of data collection by author for descriptive analysis of individual cases for co-optation can be mitigated by using similar type of evidence from different sources

Chapter (5) - State capacity and co-optation in Malaysia

5.1 Introduction

Malaysia is situated in one of the most widely used maritime trade routes, the Strait of Malacca, consisting of two landmasses separated by water. It is the only federal state in Southeast Asia region and formed by eleven states from Malay Peninsula (West Malaysia) and two states of Sabah and Sarawak from northern part of Borneo Island (East Malaysia). Generally, ethnic groups in Malaysia include Malays, indigenous groups, Chinese and Indians respectively. In Malaysia, indigenous groups, including Malays, are collectively referred to as *Bumiputera*, which means “sons of the soil”, in order to distinguish them from non-*Bumiputera*, Chinese and Indians. According to government data, *Bumiputera* includes Malays, Indonesians, Negrito, Jakun, Semai, Semelai, Temiar, Orang Asli and other Malays (J. M. N. 1975, v). In 2020, Malaysia population includes 69.4% of *Bumiputera* (20.6 millions) with 23.2% of Chinese (6.9 millions) and 6.7% of Indians (2 millions) respectively (Department of Statistics Malaysia 2022).

Since Independence in 1957 from British Empire, the stable cohabitation among these ethnic groups, despite the presence of discriminations based on race, is the distinguished feature of Malaysia’s political stability. One of the well-known Malaysian historians, Cheah Boon Kheng, also mentions its discriminatory policies towards different ethnic groups together with accommodational policies for minorities as the foundation for ‘fairly successful dominant-ethnic model of nation-making’ (Boon Kheng, 2003, 406). Arend Lijphart (1980) describes the democracy in Malaysia between 1957 and 1969 (i.e., before the turn towards authoritarian tendencies in its democracy) as a consociational one for its nature of formation of government which included coalition of political parties formed along the line of ethnic cleavages. For the

control of government power by one coalition party, Barisan Nasional or National Front (which was called as the Alliance before 1970), since its Independence in 1957 (called as *Merdeka* in Malay language), Malaysia is also categorized by scholars as “pseudo-democracy”, “semi-democracy”, or “electoral one-party state” (Case 2001; Wong, Chin, and Othman 2010). Meanwhile, Dan Slater explains the stability of Malaysian domestic politics and durability of its dominant major political party, United Malays National Organization (UMNO) which is the leading party in the National Front coalition, in power as the phenomena motivated by the shared fear within elites from different ethnic groups against political turmoil generated by communist insurgencies experienced before the Independence and ethnic riots after Independence in 1960s (Slater 2010). It is not equal treatment of various ethnic groups, rather it is the politics of co-optation exercised by Malay and non-Malay elites to stabilize domestic politics that can ensure the relatively low level of violent politics in Malaysia since its Independence.

5.2 Colonial roots of inequalities between Malays and non-Malay minorities

To understand the motivations for Malaysia’s discriminatory but stability-maximizing practices, it is required to know its demography and inequalities generated by that demography. In the earlier periods of nineteenth century, Muslim Malays were 90 percent of the colony’s population (Croissant and Lorenz 2017, 144). Like its policies in the other colonies from the region at that time, the British empire facilitated the migration of work forces from the Indian sub-continent and China into British Malaya. Afterwards, Malays’ share of the population dropped to around 50 percent (Ibid). In 1947, ten years before Independence, British Malaya population consisted of 49.5% of Malays, 38.4% of Chinese, and 10.8% of Indians (J. M. N. 1975, 13). The result of this change in population distribution was different distribution of work forces within the territory. Malays and other indigenous groups were working in self-subsistent agricultural

economy before the arrive of colonial capitalism. Due to the wage labor requirements of colonial capitalist economy, Chinese and Indians occupied the work forces in plantations of tin, rubber, and palm oil which were the main exports of British Malaya at that time. At the same time, British introduced the system of land ownership by registration, called Torrens Land Laws, to accelerate colony's economic growth (Lim 1985, 252). As a result, migrated entrepreneurs and other foreigners owned a lot of land and dominated the non-agricultural economy of the colony which in turn led Malay peasants and indigenous groups to lag behind the non-Malays in terms of education, income, and social status.

Consequently, this led to the unequal socio-economic relations within the population with non-Malays earning higher income and better educated than Malays majority. This change in population led colonial Malaysia into the transformation of 'plural society' which was coined by J. S. Furnivall to mention a social relation constructed by colonial policies where different social groups coexist but not mingle with each other (Boon Kheng 2003). Communal conflicts and ethnic riots usually emerge out of this situation of uneasy interaction between different social groups. The trend of inequality remained in Malaysian plural society after Independence, and hence, successive governments have exercised preferential policies towards *Bumiputera* majority for upward mobility of this group (Weiss & Welsh, 2018, 162-176). Economic inequality between Malays and Chinese is a critical factor that explains the existence of preferential policies for maintaining stability of domestic politics and ensuring the support for the incumbents. Income inequality between Malays and non-Malays was substantially high in the twentieth century and the gap has been decreased only gradually in 2000s (see Table 2).

Table 2: Average monthly household income by ethnic group in Malaysia (in Malaysian Ringgit-RM)

	1974	1984	1995	2004	2014	2019
Malay	242	844	1,604	2,711	5,548	7,093
Chinese	534	1,552	2,890	4,437	7,666	9,895
Indian	408	1,107	2,140	3,456	6,246	8,216

Source: Household Income, Poverty and Household Expenditure, Economic Planning Unit, Prime Minister's Department, Malaysia
<https://www.epu.gov.my/en/socio-economic-statistics/household-income-poverty-and-household-expenditure>

In order to compensate the prevalent inequalities among *Bumiputera* and other ethnic minorities, colonial administration initiated the preferential policies for *Bumiputera*. This included different administrative systems for regions with *Bumiputera* majority and regions with other minorities. The British empire controlled authority over every political matter in Federated Malay States, which occupy the central areas of Malay Peninsula while traditional sultanate rule was allowed in Unfederated Malay States, which were parts of northern, southern, and eastern Malay Peninsula, and Sabah and Sarawak states from Borneo Island (Croissant & Lorenz, 2017, 143). However, in the whole colony, matters related to religion were not intervened by the British. Aristocratic Malays were also incorporated into the colonial administrative system. British Malaya's public administration mainly consists of two departments, Malayan Civil Service (MCS) and Malayan Administrative Service (MAS). Although colonial officers were employed in the MCS, Malays were employed in the MAS which is lower than MCS in administrative hierarchy (Lim 1985, 253). In a nutshell, the British empire imposed protections over Malay aristocrats by letting them to co-administer with colonial officers and these Malay leaders exercised another layer of protection over Malay population (Ibid).

This kind of preferential treatment over Malays and other-*Bumiputeras* persisted in post-colonial governments policies in various forms. Policies sanctioning preferential distributions have

existed as constitutional mandates and government's economic policies in Malaysia. Article 153 of the Constitution of Malaysia (1957) clearly states that there must be reservations in positions of public administration, special scholarships, education institutions, and trainings for Malays and natives of Sabah and Sarawak states. According to article 89, land reservations for Malays which were existed before Merdeka Day, August 31 1957, also are continuously reserved after Independence. According to the constitution, Islam, which is the religion mostly practiced by Malays, is regarded as the official religion of Malaysia and the identity of Malay is characterized by religion (Islam), language (Malay), and culture. This racialized creation of nationhood together with preferential treatment, which is similar to affirmative action but different in categorizing beneficiaries of the treatment, renders non-*Bumiputera* Malaysians 'second-class' citizens. However, discriminated minorities have not chosen violent political strategies such as insurgency and terrorism to address the discriminations and exclusions. Malaysia is the most stable country in Southeast Asia which has never experienced coup d'état, revolution, civil war, and political assassination (Sloane-White and Beaulieu 2010). Experience of Malaysia in maintaining inter-ethnic peace and economic growth can be explained by looking at state's capacity to co-opt its potential oppositions and supporters by distributing rents and policy concessions.

5.3 The New Economic Policy in Malaysia

For the distribution of rents, the New Economic Policy (NEP) which is the term for multiple policies implemented since 1970 to eradicate poverty and restructure socio-economic distributions within society. Ethnic riots on 13 May 1969, Malaysia's only period of political violent, were responsible for emergence of the NEP. These riots, widely known as May 13th riots, occurred between Malays and Chinese and were caused by frustrations among Malays for their inferior socio-economic status within society and Chinese for discriminations against them by

preferential policies. Despite the constitutional guarantees for special rights, Malays were still employed mostly in agricultural sector while Chinese and Indians were controlling the more advanced sectors in national economy (see Table 3). In order to address the issue of associating economic function with ethnicity (i.e., Malays working in agricultural sector and Chinese and Indians working in industrial sectors), Malaysian governments under Tunku Abdul Rahman (1963-1970) and his successor, Abdul Razak (1970-1976), formulated the New Economic Policy (NEP) in 1970s.

Table 3: Distribution of workforces in Industries by Ethnicity in 1970

Industry	Malay	Chinese	Indians
Agriculture, forestry, hunting, and fishing	81	16.5	1.0
Manufacturing	29	65.3	5.3
Commerce	21.7	65.5	10.6
Construction	23.4	72.1	6.0
Transportation and communication	42.4	39.9	17.0

Source: (J. M. N. 1975, 66)

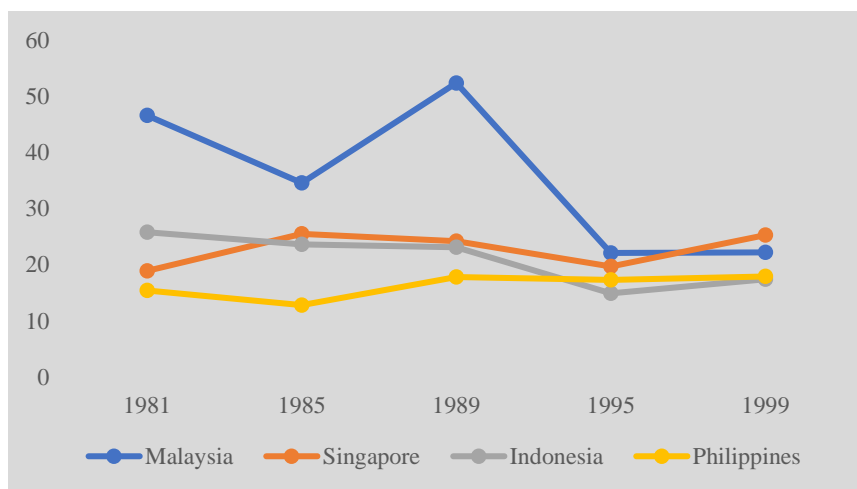
On 18 March 1970, the document titled “The New Economic Policy” was distributed to government agencies and departments to implement the policies to (1) eradicate poverty irrespective of race and (2) accelerate social restructuring for elimination of distribution of economic functions with race (Aun 2021, 5). One of the most salient provision of the NEP has been to ensure that *Bumiputeras* possess 30% of equity ownership in domestic corporations (Ibid, 7). The co-optational nature of Malaysian elites could be observed also in policy formulation process of the NEP. Before the finalized version of the NEP, there were competitions between two economic policy making departments of government, namely Economic Planning Unit (EPU) and Department of National Unity (DNU) (Ibid, 4).

The EPU wanted the NEP to be market-friendly and policies of growth to be implemented for every social group within the society while the DNU's approach was leaning towards more state intervention in national economy with preferential treatment for *Bumiputeras* (Aun 2021b). The then-Director General of EPU – Thong Yaw Hong, ethnic Chinese, and Tan Siew Sin, president of MCA and the then-Finance Minister, suggested the inclusion of “irrespective of race” proviso for poverty reduction (Aun 2021a, 5). To compromise the concerns of Chinese leaders, Malay leaders, Tunku Rahman and Abdul Razak, toned down the *Bumiputera*-prioritized orientations of the NEP. The personal ties between Malay leaders and non-Malay representatives of BN/ the Alliance also mattered for such kind of compromises (Bogaards 2014, 24). Moreover, another compromise between Malays and Chinese could also be seen in the amendment of the Industrial Coordination Act (ICA) in 1975. At first, the ICA sanctioned to apply *Bumiputera* ownership provision starting with firms which had capital of RM 100,000 and that would include almost every Chinese-owned firm under redistribution. Due to the resistance from Chinese and foreigners-owned firms, the ICA was amended in 1977 to increase the minimum threshold of firms eligible for redistribution from RM 100,000 to RM 500,000 (Aun 2021b).

The NEP's preferential employment of *Bumiputeras* mainly took place in public sector. The government nationalized corporations and created new Government Linked Corporations (GLCs) to employ *Bumiputeras*. Among them, PETRONAS (Petroliam Nasional Berhad) founded in 1974 was the largest GLC in oil and gas sector (Sloane-White and Beaulieu 2010). Other public institutions favoring *Bumiputeras* included the MARA Institute of Technology, Bank Bumiputera, Federal Agricultural and Marketing Authority (FAMA), and Federal Land Development Authority (FELDA) (Lim 1985). The Mara Institute was founded for the human resource development of *Bumiputeras*, and enrollments were exclusively reserved for them. The FELDA was responsible

for redistribution of lands towards Malay peasants, and it distributed 812,684 acres of land between 1956 and 1976 and about 94% of the beneficiaries were Malays (Ibid, 262). Since the genesis of NEP, the composition of UMNO members was also changed. The leaders of UMNO became politicians and businessmen from politicians and bureaucrats before the NEP, and majority members of UMNO also became businessmen and highly educated professionals from schoolteachers and local leaders (Weiss and Welsh 2018, 207). Another significant development in Malaysia public sector has been the growth of government expenditures for public services. In this regard, Malaysia has been the nation which spent largest share of its GDP for public expenditure in the sub-region during the last two decades of twentieth century (see Figure 1).

Figure 1: Government Expenditure in Malaysia, Singapore, Indonesia, and Philippines (per cent of GDP), 1981-1999



Source: Asia Development Outlook Report (1990, 2000, and 2004)

The strength of Malaysian state's extractive and distributive capacity proven by the success of the NEP can be accounted by the capacity of Malaysian bureaucracy. On political dimension, the strong support given by economic elites, communal groups, and bureaucrats to leading political organization, Barisan Nasional or National Front, also matter for the stability and growth of Malaysian economy. In Malaysia, Barisan Nasional - BN is the largest political coalition which

has held political power since the Merdeka in 1957. The BN is composed of ethnic-Malay political organization, United Malays National Organization (UMNO), Chinese organization – Malaysian Chinese Association, Indian one – Malaysian Indian Congress (MIC), and other political parties. At first, both UMNO and MCA, founded in 1945 and 1952 respectively, operated as mass organization for Malays and Chinese and acted as interest groups for the communities to interact with colonial state (Horowitz 2008, 399). The electoral incentives in firstly held 1952-1953 municipal elections motivated UMNO to cooperate with MCA in order to pool votes from Chinese-dominated urban regions (Ibid, 401). Later, the tremendous success displayed in national legislative council elections in 1955, together with MIC, paved the way for consolidation of coalition that has persisted after Independence. The Alliance's main purpose was to collect votes from the society where Malays majority could not win elections without support from other communities (Bogaards 2014, 22). As explained before, in addition to vote pooling function, the political bargain where Malays dominate political positions and Chinese and Indians dominate economic sphere was vital for the survival of coalition (Lijphart 1980, 151). It was MCA and its economic elites that provided financial supports for the Alliance because there was not many Malays business class before the NEP-sanctioned social restructuring and poverty eradication policies.

The May 13th riots were also important for the consolidation of power in the hand of BN-coalition. The riots occurred in 1969 mainly because of the growing fear both within Malay and Chinese lower classes. Malays feared that Chinese were going to control not only economic power, but also political power because anti-MCA Chinese oppositions, Democratic Action Party (DAP) and Gerakan, won 13 out of 28 seats of Selangor state-assembly, where capital city Kuala Lumpur locates, in 1969 elections which gave them power to appoint ministerial positions in the state's

administration (Drummond and Hawkins 1970, 330). Meanwhile, the Alliance lost DAP and Gerakan in Chinese-majority Penang state with only 4 seats while the later won 19 seats. In 1964 elections, the Alliance could control 24 seats in Selangor and 18 in Penang and DAP and Gerakan did not exist then (Ibid). The DAP and Gerakan emerged as the result of grievances among Chinese politicians who did not favor MCA's cooperation with UMNO. The Malays feared that growing political power of Chinese would yield to the complete control of Malaysian national economy and politics by Chinese and subordination of Malays. The parade of Chinese crowds towards Selangor Chief Minister's residence on 11th and 12th May provoked estimated 5,000 Malays demonstrations on 13th and riots erupted at the night of the same day which lost the lives of 169 people (Slater 2010, 122).

In response to the riots, Malaysian government aborted the parliament and declared martial law until 1971. After the riots, Malay and Chinese elites inside the Alliance attempted to co-opt potential rivals by increasing coalition members of the Alliance, and also changed the name of the coalition to Barisan Nasional. The BN incorporated its ethnic flank oppositions such as Gerakan from Chinese flank and Pan-Malayan Islamic Party (PAS) from Malay flank to ensure its vote pooling power and contain extremist views from the oppositions (Slater 2010). Although Gerakan has remained with the BN until now, the PAS was expelled from the coalition in 1977. Chinese political elites, by understanding that the growing power of Chinese communalism outside of the coalition would breed violence, also acknowledged that staying within the BN can only stifle the fear of Malays for Chinese power and ensure stability. Like the Alliance, the formation of BN was also motivated by electoral benefits it can get from regions mixed with different ethnic groups (Bogaards 2014, 29).

The compliance of Chinese elites with the BN coalition's policies became pronounced when MCA's co-founder, Lee Hau-Shik, accepted to sell 30% of his bank's capital to a Malay timber corporation in 1975 as part of NEP's policy of ensuring 30% ownership of *Bumiputeras* in domestic corporations (Ibid, 151). On Malays' side, UMNO also became larger and consolidated its role as the sole representative of Malays. Membership of UMNO increased from 500,000 in 1976 to more than 2.4 million of Malays in 2001 with its branches increased from 3,500 in 1996 to 16,500 in 2001 (Case 2001, 52). Not only in terms of quantity, the social class composition of UMNO has also changed. While elite aristocrats, civil servants, and schoolteachers making major social groups within UMNO before 1969, it included businessmen and Islamic activists after 1969 to control political Islam within its helm. In 1982, it successfully incorporated then-popular Malay interest group, Malaysia's Muslim Youth Movement (ABIM), from the control of PAS. The leaders of 165 party divisions of UMNO can become candidates for national elections and they can control the distribution of rents by controlling power to grant licenses, government loans, contracts, and equities when they become assemblymen. Another important elite cooperation can also be found between Malay politicians closed to the government and Chinese businessmen. Some scholars name the cooperation as Ali-Baba cooperation because Chinese businessmen (Baba) can gain economic rents by Malay politicians (Ali) who control the authority to grant government loans, licenses, and other economic opportunities (Sloane-White and Beaulieu 2010; Weiss and Welsh 2018). In this way, despite the presence of racialized political economy, Malaysian political economy has been stabilized by closed alliance between communal elites, politicians, and business class from different ethnic groups.

5.4 Conclusion

The literature on Malaysia political economy usually mentions the role played by the NEP in reducing economic inequality between *Bumiputeras* and non-*Bumiputera* minorities, especially Chinese, as successful for ensuring growth and stability. The strength of Malaysian state institutions in successfully extracting revenues from the society and distributing benefits to the whole society, not only to the few elites, has played major role in mitigating potentials for violent politics within Malaysian society. The support given by elites from different communities towards leading coalition body, Barisan Nasion (BN), also legitimizes its rule and policies implemented. Despite the superior role controlled by Malays in political sphere, Malaysian polity could contain politics within mainstream electoral politics because of the legitimacy of the polity perceived by the ruling elites and oppositions. Malaysian racialized notion of nationhood and preferential economic policy may treat different communities unequally, but it can ensure the stability by co-opting oppositions of the regime by incorporating them into the BN and delivering successful national economy and public services. This success story of Malaysia contradicts with the weak central government in Philippines and its inability to redress the grievances of the minorities as will be seen in next chapter. Subsequently, this difference determines the different degree of terrorist incidents between the two countries despite their similarities in possessing partial democracy with factional groups.

Chapter (6) – Patrimonial Politics and Moro Conflict in Philippines

6.1 Introduction

Philippines is the country with largest Christian population in Southeast Asia. In 2015, there are over 80 million of Roman Catholic among over 100 million of population (Philippine Statistics Authority 2019). The major political violence in Philippines stems from the grievances of Muslim minorities (around 6 million) against the governments of Philippines due to the decades of discriminations and persecutions against Muslims both by the government and oligarchs. The insurgencies in Philippines have been carried out by various groups for separation and establishment of ‘Bangsamoro’ (Moro Nation), including Moro National Liberation Front (MNLF), Moro Islamic Liberation Front (MILF), and the Abu Sayyaf Group. In terms of ethnic terrorism, structural conditions and precipitant events that led to the formation of these groups fighting for the independent Moro nation from the Republic of Philippines will be assessed. These organizations undertook violent armed struggle against successive Filipino governments by demanding independent nation for Moro Muslim ethnolinguistic groups.

The decades of persecutions against Muslim minorities, economic disparities between Christian dominant regions and Muslim regions, and landlessness suffered by Muslims in Southern regions of Philippines serve as the motivating factors for the rise of Moro insurgencies, and later emergence of terrorist organizations such as the Abu Sayyaf Group. Unlike the state of Malaysia which implemented poverty eradication policies successfully to mitigate grievances between *Bumiputeras* and non-*Bumiputera* minorities, the state of Philippine has suffered weak institutional structure which has been constantly exploited by strong provincial elites for personal benefits and advantages of their families and friends. The societal redistributive and transformational meta policy package invented by Malaysian government, as in the case of New

Economic Policy (NEP), cannot be found in Philippine's political economy. Rather, Philippine's state has showed patrimonial features of usurping political administrative power for private accumulation of politicians and their oligarchs (Hutchcroft 1991). To understand the persistence of violent insurgency and emergence domestic terrorist organization, the structural analysis of inequality within Philippine's society and discrimination against Muslim minorities needs to be supplemented by understanding patrimonial nature of Philippine's state where political power is regarded as property of powerful elites.

6.2 Roots of Moro Insurgency in Philippine

Moro is the term firstly used by Spaniards in 1570 to describe Islamized natives in Manila when they were colonizing Philippine (Anderson 1988, 5). Later in 1578, they used the term to refer to Muslims lived in Mindanao and Sulu regions from Southern Philippines (Majul 1988). Although not every Muslims in Philippine accepts the term to comprehensively represent them, Moro is the political term used by political organizations and scholars to refer to Muslims of Mindanao region in Southern Philippine. The term Moro has been used to refer to 13 ethnolinguistic groups reside in southern region of Philippine. These groups include Maranao, Maguindanao, Tausug, Sama, Yakan, Sangil, Badjao, Kalibugan, Jama Mapun, Iranun, Palawani, Molbog, and Kalagan (Buendia 2005, 134). Leaders and members of rebel groups fighting for Moro liberation come from these Muslim ethnic groups. One of the first prominent Moro armed rebel groups, Moro National Liberation Front (MNLF), was founded by a Tausug-Muslim, Nur Misuari, and the MNLF was largely composed of Tausug members (Ibid, 119). A split group of MNLF, Moro Islamic Liberation Front (MILF), was founded by a Maguindanao from Cotabato region, Hashim Salamat (Ibid, 119). The smallest split of MNLF and MILF, but the most lethal group in Philippines, the Abu Sayyaf Group (ASG), was founded by a theologian, Abdurajak

Janjalani, and it was mostly composed of members from Tausug, Sama, and Yakan ethnic groups (Gutoc 2003, 68). Like the explanations for the genesis of ethnic riots, the emergence of Moro insurgency can also be explained by two distinct phenomenon – structural factors encompassing socio-economic backgrounds which can increase the feeling of hatred and grievance among victim groups and precipitant events which can trigger the violent reaction from the victims (Horowitz 2003). Firstly, the massacres of Muslim minorities by Armed Forces of Philippine – AFP (national military of Philippine) and executions by private armies of Christian oligarchs will be briefly outlined to explain the rise of Moro liberation armed struggle in 1960s.

6.2.1 Massacres in Philippines

The armed resistance of Moro and repression by ruling regimes of Philippine archipelago can be traced back to periods under Spanish colonial rule. Since their arrival to Philippine in sixteenth century, Spaniards could never crush and dominate Muslims from Southern part of the archipelago. It was only under American colonial regime the resistance of Muslims was quelled and between 15,000 and 20,000 of Muslims died in their resistance struggle against Americans (Gutierrez and Borrás, Jr. 2004, 14). Moreover, Muslims did not want to live together with Christian Filipinos under single political administration. Hence, traditional leaders of Muslim requested the Americans to separate Muslim provinces of the archipelago from Christians dominant regions (Gutoc 2003, 73). However, the Americans rejected the idea and Philippines got Independence in 1946 altogether. In post-colonial Philippines, there was no substantial violent conflict between Christians and Muslims until the Philippines' stable democracy was destabilized and transformed into authoritarian one by then-president Ferdinand Marcos in 1972. The trigger event for Muslim insurgency was the notorious Jabidah Massacre by AFP officials in March 18, 1968 (Majul 1988, 902). The then-government did not acknowledge the incident and denied its

participation in the massacre. According to the scholarly accounts and reports by human right groups, then-government ordered AFP a secret mission, known as ‘Oplan Merdeka’, to infiltrate Sabah region of Malaysia and disrupt among the local population in order to persuade Filipinos living in Sabah to demand succession from Malaysia (Rappler 2018). The AFP recruited and trained 200 men of Tausug and Sama tribes on Corregidor Island in Manila Bay. Due to the lack of pay and poor living conditions of the camps, some of the trainees tried to escape the island. When the army officers found out the resentments among trainees, they shot at least 23 of Muslim trainees.

When the massacre was known by the public, a prominent Muslim traditional leader, Datu Udtog Matalam (then-governor of Cotabato), exploited the situation by founding Muslim Independence Movement – MIM (later replaced ‘Muslim’ with ‘Mindanao’) in 1968 (Buendia 2005, 114). Starting from MIM, various Muslim groups were founded to fight for ‘Bangsamoro’. After MIM, then-MP Raschid Lucman from Maranao tribe also founded another group called Bangsamoro Liberation Organization (BMLO) in 1971 (Ibid, 114). Leaders of MNLF and MILF, Nur Misuari and Hashim Salamat, were members of the BMLO. When military confrontations between the government forces and Moro insurgent groups became sporadic in 1970s, more persecutions against Muslim population were perpetrated by government forces and private armies of local elites. Among many of the massacres, some of the infamous ones include Manili massacre in 1971 with 70 Moro casualties, Palimbang massacre in 1974 with around 1,500 Moro casualties, and Pata Island massacre in 1982 with around 3,000 Tausug casualties (Mawallil 2016). However, not every massacre was unilaterally executed by government forces and local private armies. Some instances, such as Pata Island massacre was the retaliation of AFP for the loss of a hundred of AFP soldiers in their clash with the MNLF in 1981. Due to the protracted nature of violence, the Moro

conflict is very deadly for Philippine in terms of human and financial costs. More than 120,000 lives have been lost since 1970s and USD 10 billion were lost in terms of military expenditures, damage to property and infrastructure, and foregone investments in the Mindanao region (Adriano and Parks 2013, 19).

Although these massacres occurred decades ago, the regions where these massacres happened bred the most lethal insurgent group in Moro conflict. The major operating grounds for the ASG locate in Basilan and Sulu provinces from ARMM region. Two of these deadly massacres, Pata island massacre (1982) and Jolo burning (1974) took place in Sulu province. During 1970s, the MNLF fought fiercely with the AFP in Davao and Sulu regions to seize capital cities of the region, Cotabato and Jolo (Mendoza 2021). Jolo Burning of 1974 occurred when the military deployed naval vessels and fighter jets to bomb Jolo city occupied by the MNLF forces then. These areas later became the grounds for ASG's operation bases. According to the media reports, ASG was composed of ex-members of MNLF and sons of MNLF fighters (Gutoc 2003, 65). The connection between massacres and emergence of the ASG can be found in Hashim Salamat's comment on the phenomenon of ASG where he contended that ". . . as long as the region [Mindanao] and the Bangsamoro people are still under the control of the Philippine government, and oppression continues, we should expect more Abu Sayyaf style of groups to come to existence" (quoted in Banlaoi 2006, 250). Hence, Moro conflict which had originated since the times of colonial rules can be understood as the result of the aggressive responses of Filipino governments whenever demands are made by various Moro political groups to redress the grievances created by central governments' policies to disrupt their traditional rules. The complex nature of Moro conflict and emergence of terrorist group such as the ASG will be explained better by discussing

structural conditions that bred grievances within Moro population and weakness of state to intervene and address these grievances as Malaysian state did.

6.2.2 Structural factors for Moro's grievances

Among the various factors responsible for Moro's hardships, landlessness and poor living conditions they have been facing in their own region are the most salient ones (Gutierrez and Borrás, Jr. 2004; Gutoc 2003). Since colonial periods, ruling regimes sanctioned migrations of Christian population into Muslim-dominated areas of Southern Philippine for various reasons. Cultivating agribusiness and expanding rubber plantations, to name a few, motivated the governments to enforce migrations of Christians into Mindanao region. Resettlement programs initiated in 1912 were carried out by colonial regime to move non-Muslim population to the Cotabato Valley which locates in central Mindanao (Gutierrez and Borrás, Jr. 2004, 8). Especially, poor people from Luzon and Visayas regions were encouraged to settle in Mindanao to ease poverty they faced in their original places and increase rice and corn productions in Mindanao. The state-sponsored migrations of non-Muslim population into Mindanao was not only motivated by economic reasons, but there were also political motivations to disperse poor peasants across the country. Before the Moro conflict, Hukbalahap (Huks) peasant insurgency initiated in 1943 was also one of the pushing factors for state-sponsored migrations. To weaken Huks rebellion, then-president Ramon Magsaysay initiated land resettlement programs by giving lands in Mindanao to ex-Huks and potential supporters of them in 1950s (Slater 2010, 102). Since these periods, population distribution in Mindanao region has changed by Muslims becoming minorities and Christians population steadily increased in certain provinces in Mindanao to become majority. As can be seen in Table 4, population distribution has changed substantially within the region by Moros becoming minority and non-Moros becoming majority of the region. However, since this

is the estimated number of the whole Mindanao region, it is not the case that every province within the region becomes non-Moro dominated areas. For instance, there are provinces such as Lanao and Sulu where Moro of 83,319 and 168,629 occupied the provinces respectively in 1918, while there were only 8,140 and 4,147 of non-Moro then (Gutierrez and Borrás, Jr. 2004, 14). The distributions in these two regions had not changed much by 1970 when 497,122 (Lanao) and 401,984 (Sulu) of Moro population inhabited the regions together with 308,328 (Lanao) and 23,633 (Sulu) of non-Moro (Ibid). The distribution was reversed in region such as Cotabato province in central Mindanao where Moro population increased only in four-fold from 110,926 in 1918 to 424,577 in 1970 while non-Moro population exponentially increased from only 61,052 in 1918 (i.e., they were minorities) to 711,430 in 1970 (became majority in the province) (Ibid).

Table 4: Estimated Distribution of Population in Mindanao Region, 1903-1990

Year	Total Population of Mindanao	Percentage of Moro Population	Percentage of Non-Moro Population
1903	327,741	76	24
1913	518,698	63	37
1918	723,655	50	50
1939	2,244,421	34	66
1948	2,943,324	32	68
1960	5,686,027	23	77
1970	7,963,932	21	79
1975	9,146,995	20	80
1980	10,905,243	23	77
1990	14,269,736	19	81

Source: (Gutoc 2003, 73)

Such kind of changes in population distribution have been worsened by proselytization of the population which was practiced since the times Spanish colonial rule (Anderson 1988, 5-6). Authorizing teaching of Arabic and recognizing Islam religious days as holidays for Muslims were only undertaken by the government after armed conflicts and peace negotiations were made between the government forces and MNLF in 1970s (Majul 1988, 912). The official use of the name – Abu Sayyaf Group – by its leader, Janjalani, was after the bombing of the Christian

missionary ship, M/V Doulos, at Zamboanga city port in August 1991 (Banlaoi 2006, 248). Janjalani mentioned in his one of eight radical ideological discourses, called *Khutbahs*, that preaching of Christian missionaries in Mindanao insulted Islam and provoked violent reactions from Muslims (Ibid, 252).

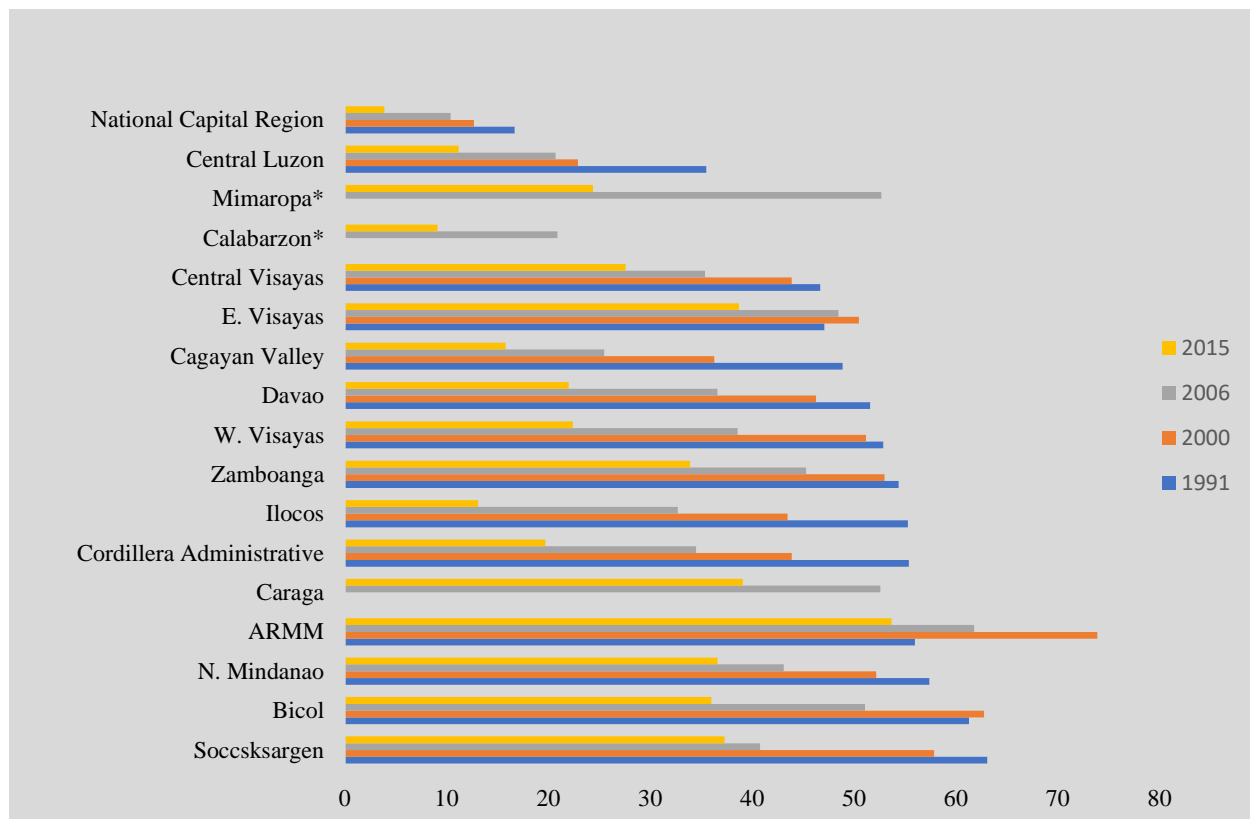
Another important transformation in Mindanao during the past decades has been the growth of monopolized control of industries in coconut, logging, banana, and rubber production by oligarchs closed to the various MPs, government officials, and ruling elites. The use of access to political administration power for private accumulation by various business groups and family members and relatives of politicians has been persistent throughout the Philippine's post-colonial history (Hutchcroft 1991). In Philippine, equating political power as personal property persists despite various reforms formulated after the end of Marcos' authoritarian rule in 1986. In newly drafted constitution of 1987 under then-president Coranzo Aquino, wife of assassinated Marcos-regime's opposition and former MP who publicly denounced Jabidah massacre – Benigno “Ninoy” Aquino, political dynasties were prohibited (Croissant and Lorenz 2017, 220).

In Philippine's political culture, landowning elites with their own paramilitary forces have always been stronger than central government in sub-national affairs. Most of the members of Congress and cabinet usually come from these elites who are usually called as *Caciques* due to their origin under Spanish colonial rule (Anderson 1988). The imposition of American colonial rule in the late nineteenth century fostered the power of caciques by transplanting American style bicameralism and appointment of bureaucracy members by elected officials. Despite its unitary nature of state system, administrative authorities are transferred to Local Government Units (LGCs) including provincial governors, city mayors, municipal councils, and regional assemblies. All of these LGCs are elected every 3 year and they can appoint their own local administration

departments like the central executive's political appointment of central bureaucracy (Croissant and Lorenz 2017, 242). This decentralized administrative system combined with presence of provincial elites or caciques at the sub-national level renders Philippine's state institutions relatively weak and vulnerable to capture by business elites which is starkly different from strong and meritocratic bureaucracy found in Malaysia.

Eric Gutierrez and Saturnino Borras reported the economic wealth of agrobusiness families in Mindanao region in 2004. According to them, one of the famous cronies in banana industry, Antonio Floirendo, is the brother-in-law of the governor of Davao del Norter, Rodolfo del Rosario. Floirendo owned the Tagum Agricultural Development Corporation (TADECO) which was the Philippines' largest exporter of bananas (Gutierrez and Borras, Jr. 2004, 11). Rosario also was the member of Marcos's failed political party, Kilusang Bagong Lipunan – KBL (New Society Movement). Another crony in coconut industry, Pablo Lorenzo, is the father of Zamboanga city Mayor, Maria Clara (Ibid, 11). In logging industry, Lorenzo Sarmiento, who was the former member of House of Representative for Davao province during 1965-1972 and member of then-National Economic Council, monopolized timber concessions in Mindanao and owned a highway engineering and construction firm called LS Sarmiento and Co. Emergence of large corporations whose members had closed networks with politicians (Ibid, 12). Notwithstanding the growth of agribusiness industry in Mindanao, the region remains the poorest part of the country. One of the provinces within the region, Autonomous Region of Muslim Mindanao (ARMM) which was created by 1987 constitution, remained one of the poorest provinces within the country. Except to the Davao region where prosperous Davao city locates, four of the five poorest regions Philippine are from Mindanao (see Figure 2).

Figure 2: Percentage of population living under poverty line by regions, 1991 - 2015



Source: Philippine Statistical Yearbooks (1990, 2000, and 2019)

Davao (Southern Mindanao), Zamboanga (Western Mindanao), Caraga (Northeastern Mindanao – created in 1995), ARMM, N. Mindanao, and Soccsksargen (Central Mindanao) are the administrative regions of Mindanao.

*Mimaropa and Calabarzon were created in 2002 by separating former Southern Luzon region which had 43.2% (1991) and 31.7% (2000) of population living under poverty line respectively.

However, displacement of Moros from their own ancestral lands has not been ignored by the central government. There have been policy innovations to address the problems of landlessness and poverty. For instance, the central government under Coranzo Aquino and her successor, Fidel Ramos, created two major land redistribution programs for Mindanao – Comprehensive Agrarian Reform Program (CARP) in 1988 and Indigenous People's Rights Act (IRPA) in 1995 (Gutierrez and Borrás, Jr. 2004). Under CARP, there were four schemes of land redistribution to local population, namely operation land transfer (OLT), voluntary offer-to-sell (VOS), voluntary land transfer (VLT), and compulsory acquisition (AC). Except from AC scheme which was designed to allow government to expropriate lands from the corporates without

regarding their consent, the rest gave landlords and beneficiaries freedom to negotiate the terms of transfer themselves. However, the problem with these redistribution schemes was defining the eligibility of beneficiaries. Beneficiaries were the people who were actually working the land at the time of redistribution (Ibid, 29). This excluded a lot of natives from the scheme who owned these lands traditionally before the corporations came to the Mindanao and most of them were not working in these areas at the time of redistribution. Moreover, beneficiaries also got fake land titles distributed to them under the VOS scheme. The titles could be bought with as little as Peso 5,000¹ in the ARMM (Ibid, 37). Hence, unlike Malaysian state, Philippine's state could not implement policies to redress inequalities and grievances with different social groups, and subsequently, failures of policies accounted for the growth of resentment among Moro Muslims towards Christian Filipinos and the central government.

6.3 Conclusion

Philippines' inability to address the grievances of Moro Muslims is due to its weak central government and absence of policy tools to narrow the economic gap between Moros and Christian Filipinos. Notwithstanding the presence of disadvantaged social groups, the affirmative action programs implemented in Malaysia or the similar kind of that have not seen in Philippines. The presence of provincial elites, caciques, with strong economic interests against redistribution is partly responsible for the absence of policies that co-opt disadvantaged population. Hence, with the socio-economic problems faced by Moros being left unsolved, the conflict continues in Philippines with emergence of local terrorist groups.

¹ USD 1 = 40 pesos in 1998 (Angeles 2009, 677).

Chapter (7) – Comparison of co-optation politics in Malaysia and Philippines

7.1 *The incumbent-selectorate relationship in Malaysia and Philippines*

From the previous chapters on in-depth analysis of Malaysia and Philippines, the role of state to co-opt its selectorate in stabilizing the two cases is seen more efficient in Malaysia than in Philippines. The Barisan Nasional could incorporate different ethnic political parties into its coalition government and that government has controlled power since Independence in Malaysia. The opposition ethnic parties such as DAP, by ethnic Chinese, and PAS, by ethnic Muslims, could not challenge the endured control of power by Barisan Nasional. The NEP, implemented since 1970s, is the major policy tool to eradicate poverty in Malaysia and to decrease socio-economic gap between *Bumiputera* majority and other non-*Bumiputera* Malaysians, especially Chinese and Indians. Meanwhile, Philippines clientelistic state could not implement NEP-like comprehensive policy to handle the inequalities between Christian Filipinos and Moro Muslims in Southern Philippines. The nature of state in Philippines is characterized by patrimonial control of power and clientelistic exchange between its incumbents and small landholding elites. Although Moro conflict was triggered by government-sanctioned massacres of Muslim minorities in 1970s, the state-sanctioned migration policies which rendered Moros to become minorities and landless in their own region and the growth agribusiness in Mindanao region which did not benefit the Moro population signal the failure of Philippine state in co-opting critical selectorate in Southern Philippines. Although detailed descriptions of Malaysia and Philippines are provided in two chapters, it is also useful to complement this analysis with time-series data from V-Dem which can also portray the nature of incumbent-selectorate relationships in Malaysia and Philippines.

The indices used for the comparison of two cases are as follow: “Party linkages (v2psprlnks)”, “Regime most important support group (v2regimpgroup)”, “Regime support groups size (v2regsupgroupssize)”, “Power distributed by social group (v2pepwrSOC)”, and “Access to public services distributed by social group (v2peapssoc)” (see Table 5 for distribution of each index’s scores for Malaysia and Philippines).

Table 5: Distribution of scores for incumbent-selectorate relationships in Malaysia and Philippines

	Party linkages	Regime most important support group	Regime support groups size^a	Power distributed by social group^b	Access to public services distributed by social group
M	Mixed local collective and programmatic policies (1957-2021)	Party elites (1957-2021)	<30% (1957-2021)	Monopolized by Social groups with minority of population (1957-2021)	75% or more lack access (1957-69), 25% of more lack access (1970-81), 10-25% lack access (1982-2020)
P	Mixed clientelistic and local collectives (1946-2021)	Agrarian elites (1946-59), Military (1960-61, 1970-72, 1990-2009), Business elites (1962-69), Party elites (1972-87), Urban middle class (2010-2021)	1-5% (1946-72, 1986), >1% (1973-85), 5-15% (1987-88), 15-30% (1989-2021)	Monopolized by Social groups with minority of population (1946-70, 1986-2021), Monopolized by one social group (1971-85)	25% or more lack access (1946-1999, 2020-21), 10-25% lack access (2000-19)

Source: V-Dem Dataset Version 12

M – Malaysia. P – Philippines.

a – The percentage is calculated based upon total population.

b – Social group is defined by V-Dem based upon caste, ethnicity, language, race, region, religion, or combination of these.

According to the table, it is clear that Malaysian incumbents are more efficient in provision of public goods and programmatic policies towards their selectorates. The affirmative policies which prioritize *Bumiputeras* over non-*Bumiputera* Malaysians are compensated by huge amount of government expenditures on provision of public services. The two-pronged nature of NEP, which simultaneously eradicate poverty regardless of ethnic groups while it produced policies that

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avored *Bumiputeras* over other minority groups, is reflected in this index. On the other hand, Philippines' state uneven reliance on clientelistic exchange for political support from landholding elites undermines its ability to implement state-sponsored nationwide poverty eradication policies and policies aimed to reduce inequalities among ethnic groups. This difference in ability of state to implement nationwide policies is caused by the nature of winning coalition. Malaysian winning coalition has been established by large coalition of multiple ethnic political parties under the leadership of UMNO. Meanwhile, Philippines' winning coalitions include agrarian elites, military, and business elites most of the time in its history and these coalitions usually limit the access to political power from other social groups. For these different forms of winning coalition, the size of selectorate, group supporting respective regimes, also varied between Malaysia and Philippines. Malaysia has possessed larger number of populations which support its coalition government than Philippines.

Based upon these data and descriptive analysis provided in previous chapters, this thesis has proven that Malaysia has larger selectorate than Philippines in terms of their power to influence the leader selection in each case. Although every prime minister in Malaysia since its Independence has been ethnic Malays, Chinese ministers also played important role in policymaking which is exemplified by the intervention of Chinese cabinet members in changing draft policy of NEP to make it less Malay-oriented and leave some freedom for Chinese corporations in doing business (Croissant and Lorenz 2017, 151). However, personalistic nature of Philippines' political leadership has impeded the meaningful way of minorities' inclusion in politics. It has always been political dynasties connected to landholding elites that control the political power of Philippines (Ibid, 225). The general outline of differences between Malaysia

and Philippines in terms of their capacities to co-opt allies and oppositions is summarized in Table 6.

The fact that the poorest regions in Philippines are mostly comprised of the regions with Moros majority can be compared with the decreasing income inequality between Malays and non-Malays in Malaysia. While the success of NEP has been materialized in upward mobility of poor

Table 6: Summary of co-optation politics in Malaysia and Philippines

Criteria	Malaysia	Philippines
Factionalism	Yes	Yes
Selectorate	Large (Chinese and Indian minorities can influence leader selection)	Small (Moros did not have influence in leader selection)
Winning Coalition (WC)	Large (minorities' political organizations are members of Barisan Nasion)	Small (Moros' political organizations are excluded from ruling regimes)
Political Discrimination	Medium	High
Policy Concessions to elites	Yes	No
Distribution of resources to wider public	Yes	No

Malays and economic growth, the policies implemented by Philippines's governments to handle landless problems in Mindanao region faced with corruption and ineffective land distribution. Moreover, according to the selectorate theory, larger ratio of winning coalition and selectorate mean provision of public goods for the whole society, and the provision of public goods and the presence of access to participate in winning coalition decrease the chances of domestic resistance (Bueno de Mesquita et al. 2005, 362). Meanwhile, small winning coalition encourages distribution of private goods to its members of coalition at the expense of public welfare, and it can trigger the domestic resistance (Ibid). This theoretical argument holds true for both Malaysia and Philippines because of their differences in rates of terrorist incidents.

In light of these evidence, the main hypotheses of this thesis can be confirmed. Malaysia's NEP and endured reign of Barisan Nasional were successful in fulfilling the demands made by Malay population to equalize socio-economic status within the society and guarantee the political participation of non-Malay political parties in ruling coalition. Hence, together with tremendous growth rate, Malaysia has showed the relatively stable domestic politics without insurgency or military coup even though they have factionalized political groups. Meanwhile, Philippines could not contain its factionalized political groups within mainstream electoral politics. The domination of Christian Filipinos and their dynasties in political and economic spheres impede minorities like Moros from substantial political participation and rendered them landless and poor in their own regions. Consequently, Philippines' state could not co-opt Moros to not pursue violent political means to realize their political goals and decades long Moro conflict finally bred lethal domestic terrorist organizations like the ASG in 1990s.

Conclusion

The findings from this thesis have showed that partial democracies with factionalism can have different rates of terrorist incidents depending upon the variation in capacity of states to co-opt its selectorate. The capacity of state in provision of successful public policies and the presence of meaningful venues for factions to participate in decision-making have been the key causal mechanism for very low level of terrorism in factional democracies. The in-depth qualitative analysis of Malaysia and Philippines highlights that factional democracies can overcome political instabilities by competent public administration and central government. However, it must be cautious about the generalizability of this hypothesis to wider universe of similar cases.

There are some factors not being covered in this thesis due to the limited availability of space. The characteristics of groups which suffered discrimination are not studied in this thesis. In two cases studied, the characteristics of minorities are different in terms of their origins. Moro Muslims have existed in Southern region of Philippines since before the arrival of Spaniards and Americans. They are the indigenous groups of Southern Philippines. However, Chinese and Indian Malays were the descendants of migrant labors during British colonial rule. Hence, unlike Chinese and Indian Malays, Moros possess specific geographical areas and primordial ties with local population which can be one of the factors that enable them to wage insurgency against central government. Every organization working under Moro identity have their own ethnic population and local communities where they can build operational quarters. These background conditions cannot be found in the case of Malaysian minorities studied in this thesis. Although there were communist rebellions in British Malaya which were led by ethnic Chinese, they were crushed by colonial regime before Independence. Therefore, counterfactually, it would rather be different

situation for Malaysia's political stability were Chinese communists not cracked down by colonial forces.

Hence, hypotheses confirmed in this thesis should be tested in another cases of factional democracies with indigenous minority groups to examine its predictability. For that matter, Thailand can be a possible case for it has Muslim insurgencies in Southern part of the country. However, it is difficult to control other variables in Thailand because of its short-lived democracy with sporadic military coups. Therefore, plausible cases can come from other regions of the world.

The connection between the size of winning coalition and the public welfare proven in this thesis can be important for future research in terrorism studies. This thesis shows that the presence of factional groups in democratic regime with shortcomings in political rights can be contained to avoid outburst of violent politics if the factions do not become threats to stability. Factions in Malaysia are compromised under a coalitional political party by increasing coalition size, and factions are tamed for conventional electoral politics. Meanwhile, the absence of major political organization to co-opt factions in Philippines led to the violent resistances. The presence of affirmative action or preferential policies for disadvantaged social group, as in Malaysia, should also be treated as an independent variable to be explored for its effect on domestic terrorism in other cases. Comparison of countries implementing affirmative policies for disadvantaged social groups can be an insightful contribution for terrorism literature by including the factor of public policy for theory buildings.

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