

The cost of politics in **Malaysia**

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List of acronyms

BN	Barisan Nasional
CDF	Constituency Development Fund
CTOS	Credit Tip-Off Service
EC	Election Commission
FGD	Focus Group Discussion
GE15	15th General Election
GLC	Government-Linked Company
KII	Key Informant Interview
MACC	Malaysian Anti-Corruption Commission
MP	Member of Parliament
NGO	Non-Governmental Organisation
PH	Pakatan Harapan
PN	Perikatan Nasional
PWD	Persons with Disabilities
ROS	Registrar of Societies
UMNO	United Malays National Organisation

Executive summary

This study examines how expenditure incurred by individuals contesting for office across the electoral cycle, from candidacy decisions through the campaign period to post-election responsibilities – the “cost of politics” - create barriers to democratic participation in Malaysia. Based on interviews with 26 individuals, including candidates (both successful and unsuccessful), a campaign manager, and subject matter experts, the study reveals how financial barriers systematically exclude women, youth, and persons with disabilities (PWD) while distorting democratic representation.

The findings reveal a political system where money operates as a screening mechanism that fundamentally undermines democratic accessibility. Financial barriers emerge before campaigns even start, with nomination deposits creating immediate exclusion for those without access to resources or party backing. These costs multiply based on geography, party affiliation, and candidate demographics, creating a hierarchy where established politicians with institutional support face more manageable expenses than newcomers who confront financial obstacles that often exceed their means.

The system perpetuates itself through cultural expectations that oftentimes transform elected representatives into personal financial providers rather than policy advocates. Constituents increasingly approach politicians as sources of funding for everything from university fees to wedding celebrations, creating ongoing obligations that extend beyond official roles. This patron-client relationship rewards those with access to wealth while punishing representatives who lack the support to sustain indefinite community financial support.

Our findings highlight (1) the **key social, economic and political factors** that influence the cost of pursuing political office, whether at the executive or legislative level, and across parliamentary state assembly or party election to be:

- **Finding 1a:** Nomination deposits, standardised across parliamentary and state seats, create substantial upfront financial barriers that disproportionately impact newcomer candidates and those from disadvantaged backgrounds, particularly those in rural constituencies where multiple local council jurisdictions can compound costs.
- **Finding 1b:** Geographic context creates cost disparities, with rural constituencies requiring different campaign strategies due to limited internet access and higher physical infrastructure costs.
- **Finding 1c:** Political party affiliation creates cost burden variations, with established parties¹ providing material support while newer parties require candidates to self-finance campaigns, creating a two-tier system that particularly disadvantages women, youth, and PWD who have limited access to resource-rich party nominations.

- **Finding 1d:** Party internal elections and positions require substantial personal financial investment that creates barriers to political advancement within party structures. This particularly affects marginalised demographics including women, youth, and minorities who may lack financial resources despite having passion and ability.
- **Finding 1e:** Constituent expectations for continuous financial support create substantial ongoing cost burdens that extend indefinitely beyond campaign periods, transforming political representation into personal welfare provision and creating unsustainable financial pressures particularly for representatives with limited personal wealth.
- **Finding 1f:** Campaign spending limits for parliamentary and state seats, have failed to keep pace with inflation and evolving campaign methods. Combined with weak monitoring and enforcement mechanisms, this creates widespread non-compliance that particularly disadvantages candidates who strictly adhere to legal requirements.

They also unpack (2) the **typical categories and magnitude of costs** borne by electoral aspirants and document how these costs vary based on party affiliation, incumbency status, demographic background and geographic location:

- **Finding 2a:** Campaign costs follow a consistent hierarchy with physical materials as the dominant expense, but geographic context fundamentally shapes cost structures as rural constituencies require substantially higher investments in physical infrastructure due to limited digital alternatives, compounding disadvantages for marginalised candidates.
- **Finding 2b:** Campaign cost magnitudes vary based on incumbency status, with incumbent MPs able to meet cost pressures due to incumbency advantages, which particularly disadvantages first-time women and youth candidates.
- **Finding 2c:** Gender, age, and disability status create additional specialised cost categories not experienced by traditional candidates, including accessibility modifications, family care arrangements, and age-related financial disadvantages, representing hidden financial barriers that compound existing disadvantages for women, youth, and PWD.

Our findings also highlight (3) the ways in which cost structures of political participation act as **barriers or enablers for underrepresented groups**, particularly youth, women, and PWD:

- **Finding 3a:** Women candidates face systematically gendered fundraising challenges given major donors investment preference toward male candidates. A reality that entrenches financial barriers that limit women's competitive viability in expensive campaigns.
- **Finding 3b:** Rural infrastructure deficits create exponential rather than additive cost multipliers for PWD, requiring extensive personal investment in accessibility modifications and support systems that urban candidates with disabilities do not face to the same degree.
- **Finding 3c:** Youth candidates face a "credibility tax" that requires disproportionate investment in relationship-building and legitimacy establishment activities.

- **Finding 3d:** Cultural expectations create hidden "societal dues" for women politicians through heightened community financial support obligations and intensified public scrutiny that generate additional costs for reputation management and security.
- **Finding 3e:** Economic dependency in marginalised communities creates exploitative cost spirals where candidates representing the most economically disadvantaged constituencies face the highest ongoing financial obligations despite often having the least personal resources.

The report also analyses the ways in which (4) the increasing cost of politics **affect governance, political accountability, and broader socio-economic development outcomes** in Malaysia, finding that:

- **Finding 4a:** Substantial personal campaign investments create post-election governance risks through policy capture pressures and expense recovery expectations, that can potentially compromise legislative integrity.
- **Finding 4b:** Political parties systematically prioritise candidates' financial capacity over competency in selection processes.
- **Finding 4c:** High political costs distort democratic representation by transforming representatives into personal financial providers while creating self-reinforcing cycles that systematically favour incumbents and established families, limiting democratic renewal and excluding newcomers despite their qualifications or community support.
- **Finding 4d:** The absence of comprehensive political finance regulation creates enforcement gaps and selective prosecution risks that undermine institutional accountability and fairness.

Finally, it explores (5) what **legal, institutional, or programmatic reforms** can most effectively reduce or regulate the cost of politics in Malaysia:

- **Finding 5a:** A comprehensive Political Financing Act emerged as the most strongly supported reform, with broad consensus on regulation mechanisms. However, significant implementation challenges center on disclosure requirements and concerns about potential political weaponisation that could disadvantage opposition participants remain.
- **Finding 5b:** Structural changes, including electoral reform, beyond financing may be necessary to address representation barriers.
- **Finding 5c:** Generational renewal and youth political participation reforms are needed to address demographic representation barriers, including those within political parties.
- **Finding 5d:** Campaign cost reduction through limiting expensive traditional advertising methods is a practical reform that does not require complex legislation or institutional changes.
- **Finding 5e:** Legal and statutory reforms must be accompanied by shifts in societal expectations about, and understandings of, politician-voter relationships.

- **Finding 5f:** Implementation concerns about fairness and political weaponisation emerge as potential barriers to reform success, with limited but substantive evidence suggesting execution challenges may be as significant as political resistance.

Based on these findings this report suggests several **evidence-based recommendations** to both foster public discourse on creating more equitable pathways to elected office and encourage more inclusive and participatory electoral processes in Malaysia. These include:

- **Enact political financing legislation** with donation caps, mandatory party-level reporting, and real-time disclosure during campaign periods.
- **Establish campaign period restrictions** limiting pre-campaign spending to the official 14-day period and closing loopholes that advantage well-resourced candidates who can afford extended unofficial campaigns.
- **Revise Election Offences Act 1954** spending limits to reflect inflation and modern realities.
- **Equalise Constituency Development Fund** allocations thereby ensuring identical amounts for all elected representatives regardless of party affiliation or status.
- **Establish an autonomous Political Finance Commission** separate from existing enforcement agencies with dedicated budget, investigative powers, and multi-party board representation.
- **Create public campaign financing options** providing basic funding for candidates who meet minimum signature thresholds, reducing dependence on private donors who tend to favour established male candidates.
- **Establish women's political development funds** within political parties to provide training, skills-building, and seed funding for first-time female candidates that include provisions, where needed, for childcare support programmes.
- **Launch a PWD candidate support programme** within the Electoral Commission to provide financial assistance for assistive technology, communication aids, mobility equipment, and personal support services.
- **Create separate categories for accessibility expenses** that do not count toward spending limits for PWD candidates.
- **Implement comprehensive political literacy curriculum** in secondary schools covering representative roles, democratic processes, and constituent-representative relationships.
- **Establish transparent candidate selection processes** by encouraging political parties to publish selection criteria, financial requirements, and demographic targets.
- **Reform political party structures to enhance youth engagement** by lowering the maximum age youth wings, expanding skills-building initiatives for emerging young leaders, and creating mentorship opportunities that provide practical experience and clear advancement routes within political organisations.

Introduction

Malaysia's democratic trajectory faces critical questions about political accessibility and representation. Its recent experience with unprecedented political turbulence, shaky coalition governments, and calls for democratic renewal has intensified scrutiny of who can meaningfully participate in political life. These developments are occurring against a backdrop of persistent concerns about money politics, elite capture of democratic institutions, and the systematic underrepresentation of diverse voices in governance.

Political participation in Malaysia requires substantial personal investment that extends far beyond the formal electoral process. Aspiring politicians must navigate complex financial obligations encompassing nomination requirements, campaign expenditures, party advancement costs, and ongoing constituency maintenance. These financial realities shape electoral outcomes and governance quality yet remain inadequately understood in terms of their systematic impact on democratic representation and institutional accountability.

The intersection of Malaysia's electoral framework with socioeconomic inequalities creates particular challenges for marginalised groups seeking political office. Women, youth, and PWDs encounter additional barriers within political systems designed around traditional (i.e. male) candidate profiles, while geographic disparities between urban and rural constituencies further compound these challenges. A more comprehensive understanding of these dynamics is essential as Malaysia grapples with questions of democratic inclusivity and representative legitimacy.

This study focused on five key research questions:

- What are the key social, economic, and political factors influencing the cost of pursuing political office in Malaysia - whether at the executive or legislative level, and across parliamentary, state assembly, or party elections?
- What are the typical categories and magnitude of costs borne by electoral aspirants? How do these costs vary based on party affiliation, incumbency status, demographic background and geographic location?
- In what ways do the cost structures of political participation act as barriers or enablers for marginalised and underrepresented groups, particularly youth, women, and PWD?
- How does the increasing cost of politics affect governance, political accountability, and broader socio-economic development outcomes in Malaysia?
- What legal, institutional, or programmatic reforms could most effectively reduce or regulate the cost of politics in Malaysia?

Methodology

Data collection for this study was based on a qualitative approach that combined key informant interviews (KIIs), a participatory focus group discussion (FGD), and desk-based research. The report authors adopted a purposive sampling strategy to identify and recruit research subjects who have direct experience or relevant insights into the cost of politics in Malaysia. This included electoral candidates (both successful and unsuccessful), a campaign manager, and several subject matter experts from civil society and academia. Rather than aiming for statistical representation, this method prioritised depth and diversity of perspectives. The sampling criteria were designed to reflect a broad cross-section of electoral actors across age, gender, geography, political affiliation, and electoral outcomes (see Table 1). This included specific attention to marginalised and underrepresented groups, such as youth candidates, women, East Malaysian candidates, and independent or minor party contestants.

In total, 26 individuals participated in the KIIs and FGD (18 KIIs and 8 FGD participants). Nineteen individuals stood as candidates in either federal and state elections between 2013 and 2023, six were political finance and election management subject matter experts, and one served as a campaign manager for both a federal and state election. The sample represents six political parties from across eight states - Johor, Melaka, Negeri Sembilan, Penang, Perlis, Sabah, Selangor, and Terengganu. Eleven of the 18 individuals who stood as candidates (61%) were first-time competitors (“newcomers”) while seven (39%) were incumbents or repeat candidates. Of the 26 research subjects, 11 were women and one self-identified as disabled. For the purposes of this report, “youth” is defined as individuals below the age of 35.²

Table 1: KII participant characteristics

Code	Gender	Age	Political Affiliation	Seat ¹	Constituency ²	Role
KII-01	Male	25-34	Perikatan Nasional	State	Semi-Urban	Newcomer
KII-02	Male	35-44	Pakatan Harapan	Federal	Semi-Urban	Incumbent
KII-03	Female	25-34	Independent	Federal	Urban	Newcomer
KII-04	Male	25-34	Independent	Federal	Semi-Urban	Incumbent
KII-05	Female	25-34	Independent	Federal	Rural	Incumbent
KII-06	Male	35-44	Independent	State	Urban	Campaign Manager
KII-07	Male	35-44	Pakatan Harapan	Federal	Urban	Incumbent
KII-08	Male	25-34	Independent	State	Urban	Newcomer

¹ The most recent election for which the individual was involved, if more than one between 2013 and 2023.
² No official framework exists to classify the urbanity of federal and state constituencies; Individual, constituency-level determinations are interpretive and may vary across analyses. This study follows Tindak Malaysia’s classification system, <https://github.com/TindakMalaysia/HISTORICAL-ELECTION-RESULTS/tree/main>

KII-09	Female	35-44	Independent	Federal	Rural	Newcomer
KII-10	Male	35-44	Pakatan Harapan	Federal	Semi-Urban	Newcomer
KII-11	Female	35-44	Perikatan Nasional	Federal	Semi-Urban	Incumbent
KII-12	Female	25-34	Independent	State	Urban	Newcomer
KII-13	Male	44+	Pakatan Harapan	Federal	Urban	Incumbent
KII-14	Female	25-34	Independent	State	Urban	Newcomer
KII-15	Male	25-34	Independent	Federal	Urban	Newcomer
KII-16	Male	25-34	Independent	Federal	Semi-Urban	Former candidate
KII-17	Male	35-44	Independent	State	Urban	Newcomer
KII-18	Female	44+	Perikatan Nasional	N/A	N/A	Subject Matter Expert
FGD-1	Male	35-44	N/A	N/A	N/A	Subject Matter Expert
FGD-2	Female	45+	N/A	N/A	N/A	Subject Matter Expert
FGD-3	Female	25-34	N/A	N/A	N/A	Subject Matter Expert
FGD-4	Female	35-44	N/A	N/A	N/A	Subject Matter Expert
FGD-5	Male	35-44	Barisan Nasional	Federal	Urban	Newcomer
FGD-6	Male	35-44	N/A	N/A	N/A	Subject Matter Expert
FGD-7	Male	45+	N/A	N/A	N/A	Subject Matter Expert
FGD-8	Female	25-34	Pakatan Harapan	State	Rural	Newcomer

Limitations

This study's findings should be interpreted within the context of several methodological constraints that affect the representativeness of the results. Not least that sample size constraints across multiple demographic categories limit the statistical power available for making definitive claims about differences between subgroups. While the study achieved reasonable gender balance across all participants, with 12 female and 14 male participants across both the KIIs and FGD, the slight male skew may underrepresent certain aspects of women's experiences with political financing barriers.³ Additionally, while the study includes perspectives on PWDs through advocacy representatives, direct experiences of candidates with disabilities remain limited in the sample. Given that the research specifically aimed to understand challenges facing marginalised groups, this limitation could affect the depth of insights into specific obstacles.

Political affiliation distribution across the candidate sample creates another interpretive constraint. Among the 16 KII participants who were candidates, the study includes eight from independent or

minor parties, four from *Pakatan Harapan* (PH), three from *Perikatan Nasional* (PN), and only one from *Barisan Nasional* (BN). This distribution means that perspectives from Malaysia's historically dominant political coalition are significantly underrepresented. The heavy weighting toward independent and minor party candidates may skew cost estimates upward, as these participants typically lack access to established party infrastructure and resources that could offset individual campaign expenses.

Geographic representation presents additional constraints on the study's comprehensiveness. Among the 18 participants who stood as candidates, nine represented urban constituencies compared to only three from rural areas, with six from semi-urban constituencies. This distribution may not fully capture the distinct cost structures and voter expectation patterns that characterise rural political competition in Malaysia.

The age distribution across the sample creates both strengths and limitations for the analysis. Among the 26 total research participants, the study includes 11 participants aged 25-34, ten aged 35-44, and five aged 44 and above. While this distribution provides reasonable representation across age groups, the skew towards more youth perspectives may emphasise perspectives of emerging political leaders while underrepresenting the experiences of more established politicians who have navigated multiple electoral cycles and accumulated different types of political capital. The limited representation of senior political figures reduces insights into how financial pressures and cost management strategies evolve over longer political careers, though the inclusion of FGD participants with subject matter expertise helps partially offset this limitation.

Finally, this study did not disaggregate findings by ethnicity, despite Malaysia's ethnically structured political system in which parties traditionally organise along ethnic lines. While other Malaysian political studies routinely collect and analyse ethnic demographic data, this research prioritised depth over statistical representation through purposive sampling that focused on gender, age, and disability as primary demographic categories of interest. Lack of ethnicity-based analysis limits understanding of whether cost barriers disproportionately affect specific ethnic communities or interact with Malaysia's ethnically organised party system to create distinct patterns of exclusion, representing a gap for future research given the centrality of ethnic considerations in Malaysian political competition.

Electoral politics in Malaysia

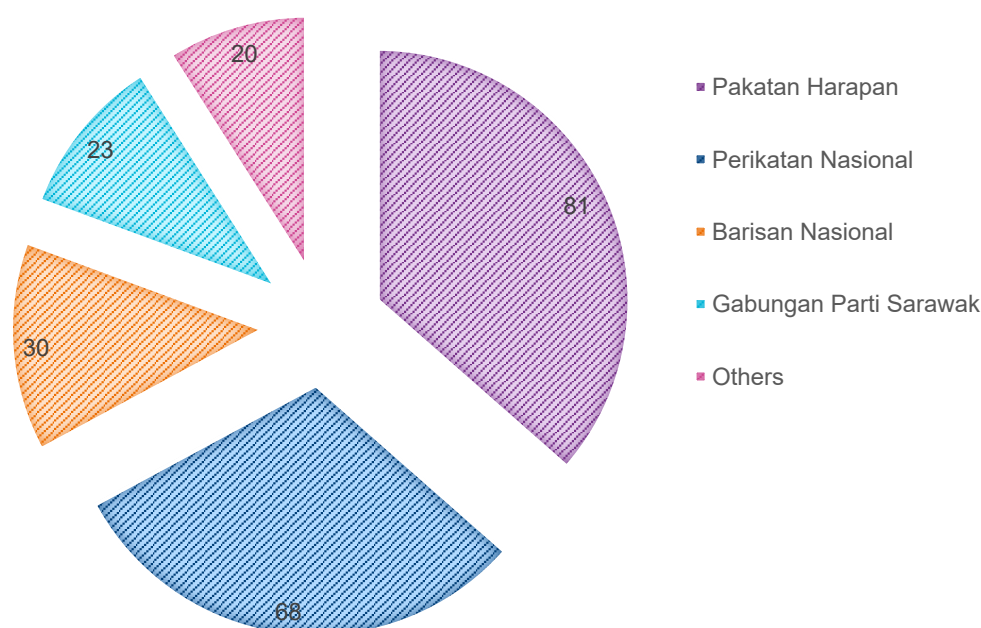
Electoral system

Malaysia operates as a federal parliamentary democracy with a Westminster-style system featuring both federal and state-level elections. The federal parliament consists of two houses: the *Dewan Rakyat* (House of Representatives) with 222 seats and the *Dewan Negara* (Senate) with 70 seats, with members of the lower house directly elected through a first-past-the-post system in single-member constituencies. Article 46 of the Federal Constitution fixes the number of parliamentary

seats allocated to each state, but this has created substantial malapportionment with seats ranging from approximately 40,000 voters in Sarawak to 110,000 voters in Selangor as the Election Commission's (ECs) boundary recommendations require only simple parliamentary majorities for approval rather than independent determination.

Following the 15th general election in November 2022, Malaysia's political landscape has been characterised by unprecedented fragmentation, with no single coalition securing a clear majority. The current government under Prime Minister Anwar Ibrahim represents the PH coalition in partnership with other parties, marking a shift from the traditional two-coalition dominance toward more complex multi-party arrangements that increase political uncertainty and the intensity of electoral competition.⁴

Figure 1: Seats in 15th Malaysian parliament by coalition



Demographic representation patterns reveal persistent underrepresentation of women, youth, and PWD, with women comprising less than 15% of parliamentary representatives and the average age of an MP estimated at 52. The Undi18 voting age amendment to 18 years has increased youth electoral participation but has not translated into significant increases in young candidates, with financial barriers posing a primary obstacle for potential youth candidates.⁵ Whilst the representation in parliament of PWDs is virtually non-existent.

Regulatory framework

Malaysia's campaign finance regulation operates under the Elections Offences Act 1954, which established spending limits, that remain unchanged, of RM200,000 (roughly USD \$47,620)⁶ for parliamentary candidates and RM100,000 (roughly USD \$23,800) for state assembly candidates, with no variations based on constituency characteristics such as geographic size or population density. These limits apply only during the official campaign period which runs from nomination to polling day, creating significant regulatory gaps for pre-campaign and post-election expenditures that constitute substantial portions of political costs.

The EC's regulatory authority has been systematically weakened since Malaysia's independence, effectively transforming the institution into a government agency for "managing elections" rather than providing independent oversight.⁷ Its compromised independence stems largely from the Prime Minister's substantial influence over member appointments, undermining institutional autonomy and impartiality. This structural dependency is compounded by jurisdictional confusion with the Registrar of Societies under the Ministry of Home Affairs, which oversees political party registration and financial reporting. Both institutions lack investigative powers to conduct independent audits, with enforcement authority residing solely with the Attorney General's Chamber, creating structural dependencies that further compromise oversight effectiveness.

Historical reform attempts have repeatedly failed despite significant political crises. Following opposition gains in the 2008 election, Prime Minister Najib Razak introduced reform initiatives aimed at curbing patronage and money politics, but these garnered little buy-in from United Malays National Organisation (UMNO) members, a leading member of the then ruling BN coalition, and were largely abandoned.⁸ The 1MDB scandal⁹ in 2015 prompted the creation of the National Consultative Committee on Political Financing. However, the Committee's proposals removed key provisions that would have curbed ruling party advantages, including caps on party funding and institutional reforms.

An absence of contribution limits, the continued allowance of unlimited anonymous donations to political parties, and a lack of restrictions on party ownership of businesses or receipt of funds from government-linked companies (GLCs) are also critical regulatory weaknesses that persist. Whilst the proposed Political Financing Bill¹⁰ currently under consideration contains provisions for donation limits and enhanced transparency it faces uncertain implementation timelines amid continued political resistance despite substantial and ongoing pressure from civil society organisations, such as the Bersih electoral reform movement, in favour of reform.

Political economy

The Malaysian political economy is characterised by extensive state intervention through government-linked companies that maintain a significant presence across banking, construction,

telecommunications, and media sectors.¹¹ These GLCs have historically served as crucial sources of both legitimate business partnerships and covert political funding.

The business-politics nexus operates through multiple channels, including direct corporate donations, business ventures owned by political parties, and the extensive network of government contracts and licenses that create mutual dependencies between political actors and business interests.¹² This system incentivises private businesses to maintain relationships with ruling parties while creating substantial barriers for opposition parties and new entrants who lack access to these established networks. The concentration of wealth in urban areas, particularly Kuala Lumpur and Selangor, also creates geographic disparities in fundraising capacity and campaign resource access that favour candidates with established business networks or inherited political capital.

Patronage networks extend beyond formal business relationships to encompass constituency-level expectations for development projects, community infrastructure, and individual assistance that require substantial financial resources from elected representatives. The Malaysian political culture of "gotong-royong" (community development) reflects voter expectations that successful candidates will personally contribute to local development initiatives, religious events, and social gatherings, creating ongoing financial obligations that extend far beyond official campaign periods.

Key findings

1. What are the key social, economic, and political factors influencing the cost of pursuing political office in Malaysia - whether at the executive or legislative level, and across parliamentary, state assembly, or party elections?

- **Finding 1a: Nomination deposits, standardised across parliamentary and state seats, create substantial upfront financial barriers that disproportionately impact newcomer candidates and those from disadvantaged backgrounds, particularly those in rural constituencies where multiple local council jurisdictions can compound costs**

The standardised deposit structure in Malaysia creates potential financial barriers that function as wealth-based screening mechanisms, though the actual burden varies significantly across the political landscape depending on party support policies. KII study participants demonstrated unanimous agreement on the specific monetary requirements, consistent with existing literature: 13 RM15,000 minimum for parliamentary candidates (RM10,000 to the EC plus RM5,000 to local councils) and RM8,000 for state seats (RM5,000 to EC plus RM3,000 to local councils). However, who bears this financial burden depends critically on party affiliation and internal support structures.

Established parties often cover candidate deposits as part of their support packages, with one participant noting that "party gave us deposit...deposit is usually covered by the party" (KII-13,

male, 44+, PH, federal, urban, incumbent) However, this party support comes with conditions - candidates may be required to reimburse the party if they lose the deposit by failing to secure sufficient votes. In contrast, newer parties explicitly require candidates to have personal funds available, with candidates reporting that they had to pay deposits from their own resources.

"For deposit amount for state seat is RM 5,000 to pay to SPR...3,000 for each local councils...I spent about 16,000 just for deposit alone." (KII-12, female, 25-34, independent, state, urban, newcomer)

Geographic complexity compounds these party-mediated barriers, particularly affecting rural constituencies where multiple local council jurisdictions require separate payments. Even when parties cover basic deposits, the additional jurisdictional costs often falls on candidates. This creates a two-tier system where rural candidates face higher absolute costs regardless of party support, while the burden disproportionately affects those in newer parties or with weaker party backing. Youth aspirants are also disproportionately affected as they typically lack the required personal wealth or strong party relationships that could either enable them to pay the deposit coverage or run on the ticket of an established party that would cover the costs for them.

The standardised deposit amounts therefore creates stratified barriers rather than universal exclusion. The RM15,000-16,000 represents a manageable party expense for established political organisations but an insurmountable personal barrier for independent candidates or those with newer parties lacking institutional resources. This creates a structural advantage that reinforces existing political hierarchies as established parties can recruit candidates without imposing personal financial risk, while newer political movements must find candidates capable of personal financial investment, effectively limiting their talent pool to those with existing wealth or access to capital networks.

- **Finding 1b: Geographic context creates cost disparities, with rural constituencies requiring different campaign strategies due to limited internet access and higher physical infrastructure costs.**

Geographic context fundamentally shapes campaign cost structures in Malaysia, creating systematic variations that particularly disadvantage candidates in rural and semi-urban constituencies. KII study participants largely agreed that geography directly determines both campaign strategy choices and associated expenses, with rural areas requiring substantially higher investments in physical campaign infrastructure due to technological limitations and voter expectations.

The most detailed evidence came from a candidate in a roughly 85-kilometer long suburban constituency who explained that limited internet penetration forced a complete rethink of campaign approaches with focus given to intensive physical campaigning that dramatically increased material and labour costs. This suggests that geographic remoteness correlates directly with heightened campaign expenses. This relationship stems from both infrastructure deficits and distinct voter

expectations. Rural constituencies require campaigns that reaffirm their physical presence through flags, billboards, banners, and face-to-face engagement, while urban areas can leverage more cost-effective digital strategies. These costs can be heightened further in semi-rural constituencies where candidates must maintain a physical campaign presence to demonstrate seriousness while also competing digitally, but in general;

"The more rural your constituency is, the more cost that you have to bear." (KII-05, female, 25-34, independent, federal, rural, incumbent)

Rural and semi-urban candidates must adapt to technological and infrastructural constraints that make cost-effective urban campaign methods unavailable, forcing reliance on expensive physical campaigning approaches that required significantly greater manpower and which create substantial barriers for candidates with limited resources. This can be further exacerbated by constituency size variations, which create compound cost pressures, with larger constituencies requiring proportionally more physical materials and greater logistical coordination.

Beyond this campaign infrastructure, FGD participants identified the "urban-rural divide" as presenting a distinct structural barrier, particularly noting how "rural voters especially" face economic conditions that create different expectations for representative-constituent relationships; namely greater welfare distribution expectations in rural constituencies. This geographic stratification means that campaign cost disparities reflect deeper infrastructure and development inequalities, where rural candidates face higher baseline costs while often serving constituencies with lower average incomes and less developed fundraising networks.

- *Finding 1c: Political party affiliation creates cost burden variations, with established parties providing material support while newer parties require candidates to self-finance campaigns, creating a two-tier system that particularly disadvantages women, youth, and PWD who have limited access to resource-rich party nominations.*

Political party affiliation creates variations in campaign cost burdens across Malaysia's political landscape, with established parties offering substantially more material support while newer parties systematically require greater personal financial investment from candidates.¹⁴ While all candidates face substantial personal expenses, the magnitude varies dramatically based on institutional affiliation, with established parties providing more comprehensive candidate packages than newer parties whose aspirants operate with minimal institutional support cannot, forcing individual candidates to rely more heavily on personal funds and fundraising. Even so, the "candidate packages", which include basic campaign materials, still often proves insufficient during competitive campaigns, meaning that candidates must still supplement significantly from personal expenses,¹⁵ often doubling or tripling the provided quantities, to meet campaign demands.

"The party gave us some financial assistance, but in kind like, for example, they'll give, like, maybe 20 billboards for you for free. Okay, but 30 billboard is not

enough, so I have to top out my own. Another 50, maybe billboard." (KII-13, male, 44+, PH, federal, urban, incumbent)

The variation extends beyond basic material provision to encompass comprehensive campaign strategy differences. Established parties leverage institutional memory, existing supplier relationships, and bulk purchasing power to reduce per-unit costs for candidates when they do need to spend personal resources. Meanwhile, newer parties require candidates to develop their own vendor networks and absorb higher costs due to smaller orders and a lack of established relationships. For aspirants from newer parties personal expenditures can range from RM40,000 to over RM1 million depending on the party and constituency according to interviewees for this study, with little to no support forthcoming from the party.

This creates systematic exclusion where financial capacity becomes a prerequisite for candidacy in newer political movements. Beyond higher direct costs, these candidates face additional time and opportunity costs associated with fundraising activities that detract from actual campaigning. One newer party candidate reported personally funding 90% of their RM80,000 campaign through individual fundraising efforts.

The implication of this reality is that newer parties must "prioritise candidates who can self-finance" (KII-17, male, 35-44, independent, state, urban, newcomer), effectively limiting political renewal to those with existing wealth regardless of competency or community support. This disadvantages marginalised groups who are more likely to run with resource-constrained newer parties. In effect, it creates a two-tier system where financial capacity becomes a prerequisite for candidacy in emerging political movements while established parties can recruit candidates without imposing significant personal financial risks on them.

- **Finding 1d: Party internal elections and positions require substantial personal financial investment that creates barriers to political advancement within party structures. This particularly affects marginalised demographics including women, youth, and minorities who may lack financial resources despite having passion and ability.**

Party internal advancement operates as a financially intensive screening mechanism separate from general elections, requiring substantial personal investment before candidates can achieve party nomination eligibility. Study participants identified internal party positions as requiring expenditures ranging from RM10-20,000 for central committee positions, representing costs comparable to half of many Malaysian workers' annual income. These internal campaigns involve extensive self-funded activities including travel across constituencies, organising dinners and gatherings, and printing promotional materials for contests that can span several weeks.

The financial burden extends beyond direct monetary costs to include significant opportunity costs, as aspiring party leaders must invest months building internal networks and demonstrating financial capacity. This matters more than showcasing policy expertise or community engagement. Focus group participants identified these barriers as systematic obstacles to democratic representation

within parties, noting high deposit cost for party positions. Selective succession planning within parties, where established leaders strategically choose potential successors based partly on financial capacity rather than merit or representational needs is increasingly commonplace. This gatekeeping mechanism leads to "lack of influx of new, diverse members, perspectives within parties" and ultimately "erodes internal democracy within political parties" by systematically excluding those without existing wealth or established donor networks, according to FGD participants.

The demographic impact proves particularly severe for marginalised groups who face systematic exclusion from internal party power structures. Women, youth, and minorities typically possess fewer financial resources and established donor networks necessary to fund these expensive internal campaigns. This "reinforces structural inequalities, as women, youth, and minority members, who may have fewer financial resources, can be disproportionately disadvantaged in advancing within party hierarchies."¹⁶

The financial gatekeeping mechanism operates continuously throughout political careers, as advancement to higher internal positions requires repeated expensive campaigns, creating cumulative barriers that systematically prevent those without substantial personal wealth from accessing party leadership regardless of their community support or political competence. This transforms what should be merit-based internal democracy into wealth-based selection processes that fundamentally undermine representative governance by ensuring party leaderships remain concentrated among economically privileged demographics rather than reflecting the broader diversity of party membership or the constituencies parties claim to represent.

- **Finding 1e: Constituent expectations for continuous financial support create substantial ongoing cost burdens that extend indefinitely beyond campaign periods, transforming political representation into personal welfare provision and creating unsustainable financial pressures particularly for representatives with limited personal wealth.**

Constituent expectations for continuous financial support from elected representatives create significant ongoing cost burdens that fundamentally alter the nature of political representation in Malaysia. Study participants consistently described how voters approach representatives to request support paying for university fees, medical expenses, infrastructure development, and community events including weddings, funerals, and religious gatherings. Representatives described feeling morally compelled to provide this assistance, creating an expectation cycle where voters believe elected officials should personally fund community welfare needs.

These demands persist regardless of official allocations or representatives' personal financial capacity, creating unsustainable financial pressures particularly for younger politicians and those from disadvantaged backgrounds. The financial magnitude of these ongoing obligations often exceeds formal government allocations. One state representative reported spending RM156,000 annually on office operations alone, significantly exceeding the RM100,000 state allocation, while also using personal funds to supplement Constituency Development Fund (CDF) shortfalls.¹⁷

Geographic variations intensify these pressures, with rural constituencies generating higher ongoing financial demands due to weaker formal welfare systems and stronger cultural expectations for direct financial assistance from elected representatives that create economic dependency relationships that distort democratic representation. These ongoing financial obligations create particular barriers for women, youth, and PWDs, who typically enter politics with lower personal wealth and fewer business connections, and therefore struggle to sustain continuous constituent financial demands when in office, or to make the contributions needed to maintain community support between elections if they are electorally unsuccessfully but keen to remain politically known.

The system effectively creates a patron-client relationship where political representation becomes contingent on personal financial provision rather than policy advocacy, making political office financially viable only for candidates with substantial independent wealth or access to ongoing funding networks that can support these consistent financial obligations. The continuous nature of these obligations establishes a concerning cycle in which ongoing constituent financial demands may incentivise representatives to seek unofficial income sources to maintain their political viability.

- **Finding 1f: Campaign spending limits for parliamentary and state seats, have failed to keep pace with inflation and evolving campaign methods. Combined with weak monitoring and enforcement mechanisms, this creates widespread non-compliance that particularly disadvantages candidates who strictly adhere to legal requirements.**

Malaysia's campaign spending limits represent a regulatory framework established by the Election Offences Act 1954 that has remained frozen while campaign realities have evolved dramatically. Although the Act has been amended multiple times since enactment, none of these amendments have revised the parliamentary and state seat spending caps, leaving the limits unchanged for decades. KII study participants demonstrated near-universal agreement that current limits are fundamentally unrealistic:

"This spending limit was formed in 1980s...so it has not matched inflation limits. And I think it goes without saying that nobody ever obeys these limits." (KII-08, male, 25-34, independent, state, urban, newcomer)

The inadequacy extends beyond simple inflation adjustment to encompass technological and strategic campaign evolution that has transformed political campaigning. When the Election Offences Act was introduced, campaigns were modest and low-cost, relying mainly on posters, banners, and small rallies. Today's campaigns require social media advertising, large-scale events, constituency-wide logistics, paid staff, and polling agents - expenses that were minimal or non-existent when limits were established. One participant noted that current limits fail to account for "online technology, online campaign, social media, a lot of things that we invest in" (KII-06, male, 35-44, independent, state, urban, campaign manager).

The current enforcement vacuum also creates systematic unfairness that advantages well-resourced candidates while penalising those who attempt to maintain legal compliance. Participants admitted that there is widespread circumvention through party spending, third-party contributions, and pre-campaign expenditures that fall outside the 14-day limit period. One participant was of the view that established parties are "spending in the millions per seat" despite the official cap (KII-08, male, 25-34, independent, state, urban, newcomer).

The demographic impact proves particularly severe for newcomer candidates and those from smaller parties who cannot access the circumvention mechanisms available to established political actors. Youth candidates, and those with limited party backing, therefore face pressure to either violate spending limits or accept significant competitive disadvantages; a choice between legal compliance and electoral viability.

2. What are the typical categories and magnitude of costs borne by electoral aspirants? How do these costs vary based on party affiliation, incumbency status, demographic background, and geographic location?

- Finding 2a: Campaign costs follow a consistent hierarchy with physical materials as the dominant expense, but geographic context fundamentally shapes cost structures as rural constituencies require substantially higher investments in physical infrastructure due to limited digital alternatives, compounding disadvantages for marginalised candidates.

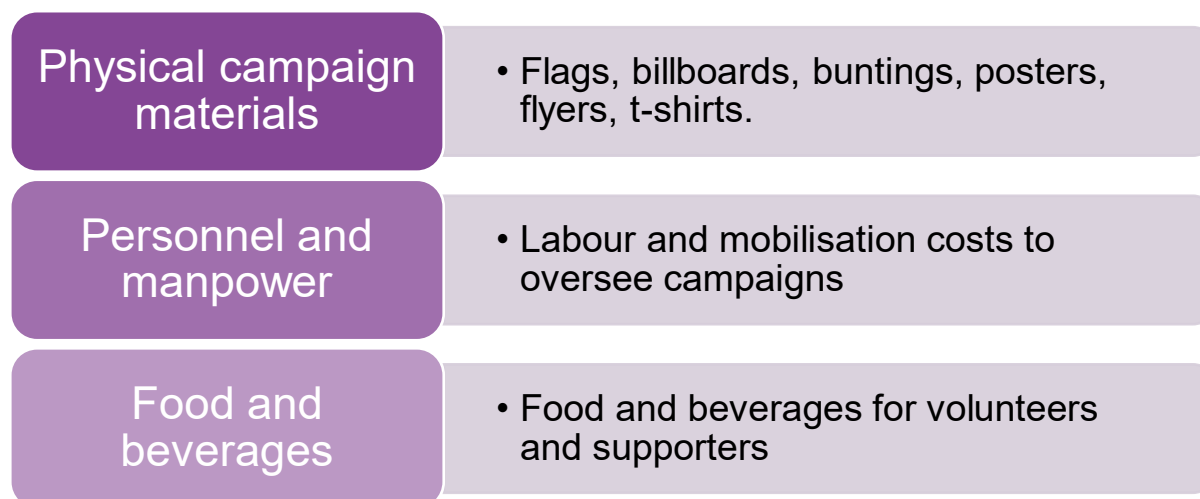
Physical campaign materials consistently emerge as the dominant cost category across multiple constituencies, with the standardised nature of these expenses creating predictable financial barriers that affect different demographic groups unequally. Materials such as billboards, flyers and posters represent the "biggest cost" regardless of geographic context.

However, geographic context affects these cost structures, with rural and semi-urban constituencies requiring substantially higher investments in billboards, banners, flags, and printed materials due to limited internet access that prevents cost-effective digital campaigning. This creates a two-tier system where urban candidates can achieve voter outreach through lower-cost digital channels while rural candidates must rely on expensive physical campaign methods. The disparity particularly disadvantages marginalised groups who already face systematic funding challenges, as they disproportionately contest in rural areas where established parties may be less willing to provide full support.

Personnel emerges as the second-highest expense category among most of the interviewees, with geographic remoteness compounding labour costs. The 14-day campaign period requires extensive labour for installation and removal of materials across vast rural areas. Competition between parties for these services has driven up costs, with parties offering RM50-200 per person, per day depending on availability and party resources (KII-06, male, 35-44, independent, state,

urban, campaign manager). Food and beverage costs are the least costly. That said, “during the 14-day campaign, you are not allowed to hold gatherings with food and beverages” (KII-01, male, 25-34, PN, state, semi-urban, newcomer) so they are still costs that need to be prepared for.

Figure 2 – Leading campaign costs



- Finding 2b: Campaign cost magnitudes vary based on incumbency status, with incumbent MPs able to meet cost pressures due to incumbency advantages, which particularly disadvantages first-time women and youth candidates.

According to study participants there has been an escalation in campaign expenses for incumbent candidates. One participant reported winning his seat on roughly RM68,000 as a newcomer in 2018 but admitted to requiring millions during in the 2022 re-election campaign, illustrating a systematic cost inflation that accompanied incumbency status. This pattern reflects broader structural changes in constituent expectations once candidates achieve office. Incumbents need "1,000 T-shirts vs. 400 for newcomers" due to expanded campaign teams and higher visibility expectations argued one participant who explained that "when you are MP, they expect you to have money, and they [campaign volunteers] don't want to do it for free" (KII-02, male, 35-44, PH, federal semi-urban, incumbent).

But incumbents also have financial advantages at their disposal to meet these demands. Access to CDF, established networks with donors and supporters, name recognition, and the ability to leverage government resources for visibility are all incumbency advantages. As one participant explained: "you can tap on federal fundings for programmes that are run by the federal government...you can run programmes together with the government" (KII-01, male, 25-34, PN, state, semi-urban, newcomer). But this depends to an extent on the party affiliation you hold. Ruling party MPs historically received "6 to 7 million [Ringgit] a year" in CDF during previous administrations compared to opposition MPs who "don't get CDF allocations, forcing them to incur every single cost, welfare payments from personal funds" (KII-04, male, 25-34, independent, federal, semi-urban, incumbent).¹⁸

The obstacles posed by incumbency advantages impact first-time candidates, especially those from underrepresented groups, who often self-fund their campaigns, as they face not just the challenge of competing against established politicians' name recognition and networks, but also against their resource advantages. The incumbency cost escalation reinforces existing political hierarchies, making breakthrough victories expensive for challenger candidates who lack institutional advantages.¹⁹

- Finding 2c: Gender, age, and disability status create additional specialised cost categories not experienced by traditional candidates, including accessibility modifications, family care arrangements, and age-related financial disadvantages, representing hidden financial barriers that compound existing disadvantages for women, youth, and PWD.

Marginalised candidates face unique cost categories invisible to traditional campaign finance analyses. These compound standard campaign costs, creating disproportionate financial burdens that often exceed official expenditure calculations. Women candidates encounter gender-specific expenses primarily through care work arrangements, with single mothers and those with caregiving responsibilities facing particular challenges in balancing political participation with family duties.²⁰

PWD candidates also face accessibility-related expenses that other candidates never encounter. FGD participants identified that "accessibility is not considered and is expensive," but acknowledged that infrastructure barriers create acute challenges for PWD candidates, particularly in rural areas. "Disabled people...might need additional cost to assist them, like in transportation, maybe in communication. It's definitely higher than a normal candidate" argued one key informant (KII-02, male, 35-44, PH, federal, semi-urban, incumbent).

Youth candidates face age-specific financial disadvantages. They lack the personal savings of their competitors and struggle to raise external funding due to socio-cultural attitudes that see them as not fully ready or prepared for elective office roles. "The challenge with being youth and being a woman, maybe we are less established, less financial independent, compared to seniors" reflected one participant (KII-05, female, 25-34, independent, federal, rural, incumbent). Another noted that "it is a lot more difficult to fundraise for young women than for young men" (KII-12, female, 25-34, independent, state, urban, newcomer), highlighting intersectional disadvantages that can exponentially increase costs. Young women in rural constituencies face the highest burdens, given the need to combine care responsibilities with resource limitations and accessibility challenges. These hidden costs represent structural discrimination within seemingly neutral systems that marginalised candidates have to try and navigate with limited support.

3. In what ways do the cost structures of political participation act as barriers or enablers for marginalised and underrepresented groups, particularly youth, women, and PWD?

- **Finding 3a:** Women candidates face systematically gendered fundraising challenges given major donors investment preference toward male candidates. A reality that entrenches financial barriers that limit women's competitive viability in expensive campaigns.

The gendered nature of political fundraising in Malaysia creates systematic barriers that function as donor-mediated screening mechanisms. Major donors, both companies and wealthy business individuals, often base funding decisions on perceived winnability and established, largely male-dominated, political networks. As a result, women face "structural disadvantages" even in "politically established parties" where they "may not have the same financial access or firepower like a lot of other men" (KII-04, male, 25-34, independent, federal, semi-urban, incumbent). However, this donor discrimination can vary with some established parties providing a degree of institutional credibility that can encourage donors to support female candidates, something that newer parties expect candidates to develop themselves.

Compounding this are prevailing socio-cultural attitudes around women's role in leadership which persist at all levels, including among wealthy donors. Rural women, who typically lack both substantial personal wealth and access to major donor networks, experience these challenges most acutely creating baseline disadvantages that amplify the barriers to political success.^{21 22}

- **Finding 3b:** Rural infrastructure deficits create exponential rather than additive cost multipliers for PWD, requiring extensive personal investment in accessibility modifications and support systems that urban candidates with disabilities do not face to the same degree.

Rural infrastructure inadequacies creates accessibility barriers that function as cost multiplication mechanisms for PWD candidates, though the actual burden varies significantly across constituency characteristics and disability type.

"People with disabilities might find it very challenging...in rural areas...because of the roads, the basic necessities are not disabled friendly." (KII-05, female, 25-34, independent, federal, rural, incumbent).

Transportation complexity compounds these infrastructure-mediated barriers, particularly affecting rural constituencies where specialised mobility solutions become necessary. The infrastructure deficit also extends beyond physical barriers to encompass systematic exclusion from political spaces, as emphasised by one participant: "the [infrastructure] around me... that's the one that's making me not being able to be part of society" (KII-18, female, 44+, PN).

These accessibility considerations represent substantial additional expenses, though the actual costs vary significantly based on constituency infrastructure and disability requirements. However, it is often PWD candidates who bear these substantial additional costs independently and therefore they create a further obstacle to their effective and equitable participation in political processes.

- **Finding 3c: Youth candidates face a "credibility tax" that requires disproportionate investment in relationship-building and legitimacy establishment activities.**

Age-based scepticism creates systematic legitimacy deficits that require extended investment periods to boost credibility. Established political personalities avoid these pre-campaign investment cycles entirely through existing reputation capital.

Young candidates must allocate resources to support sustained community engagement such as educational, community service, and professional development activities. Although these validation requirements can fluctuate across party affiliations - with established organisations more able to provide institutional credibility transfer, while newer parties demand individual recognition development – the obstacles are not just financial. Constituency perceptions create additional validation burdens as constituents may consider candidates "too young for that job" or inexperienced. Shifting these attitudes requires supplementary investment in media presence and visibility campaigns. Network limitations²³ further compound these challenges with many young candidates not having "any influence or track record....they don't have any friends to support them, because their friend also don't have money at that particular age" (KII-10, male, 35-44, PH, federal, semi-urban, newcomer). As a result, younger candidates are more inclined to trial innovative funding approaches such as "crowdfunding" as a result of traditional donor scepticism, but raising funds from their peers is not easy.

Age-based scepticism establishes baseline legitimacy requirements that disproportionately burden first-generation political participants. Extended financial commitments for validation activities create temporal disadvantages where youth candidates must invest across multiple electoral cycles in credibility establishment before achieving competitive positioning among both parties and voters.

- **Finding 3d: Cultural expectations create hidden "societal dues" for women politicians through heightened community financial support obligations and intensified public scrutiny that generate additional costs for reputation management and security.**

The cultural expectations surrounding women politicians create social obligation barriers that function as hidden cost categories, though the actual burden varies significantly across constituency characteristics and cultural contexts. However, there is consensus that there are gender-specific expectations, with women representatives facing intensified public scrutiny that requires additional resource allocations that male politicians typically avoid.

Female aspirants often face heightened community expectations for financial assistance beyond standard representative duties, stemming from cultural beliefs that women should tend to care and welfare similar to how "conservative culture" tends to identify women as "very suitable at home,

taking care of family" (KII-06, male, 35-44, independent, state, urban, campaign manager). The cultural obligations extend beyond campaign periods, with participants noting that there are ongoing expectations on women to demonstrate their competence through sustained community financial support that often exceeds the demands made of their male counterparts.

Security considerations compound these cultural expectation barriers, particularly affecting women representatives who face gender-specific safety concerns during constituency activities. Rural campaigning and constituency work presents particular challenges, "moving alone is also a challenge...it's not safe, especially at night" (KII-02, male, 35-44, PH, federal, semi-urban, incumbent). The scrutiny extends to personal attacks where women face body shaming and lewd jokes as candidates and representatives (KII-04, male, 25-34, independent, federal, semi-urban, incumbent), necessitating mental health support and reputation management considerations that male candidates rarely encounter.

- **Finding 3e: Economic dependency in marginalised communities creates exploitative cost spirals where candidates representing the most economically disadvantaged constituencies face the highest ongoing financial obligations despite often having the least personal resources.**

Representatives of economically disadvantaged constituencies face disproportionate, and ongoing, financial obligations that often exceed official allocations and personal resources. This can include providing personal financial assistance covering basic needs including electricity bills, hospital bills, transportation costs, and personal celebrations. Representatives report significant personal spending that exceeds official allocations to meet these constituent demands.

"People don't really care whether you have money or not. They come knocking on your door all the time." (KII-12, female, 25-34, independent, state, urban, newcomer).

However, these dependency burdens vary by constituency characteristics; rural areas with limited formal welfare systems create higher ongoing obligations while urban constituencies may have alternative support mechanisms. The impact therefore proves most severe for representatives of the poorest constituencies who must allocate substantial personal resources to constituent welfare while lacking the economic base to sustain these obligations.

Faced with financial burdens that their personal resources cannot meet, they are forced to choose between constituent support and maintaining financial sustainability. The focus on the immediate economic needs of constituents during campaigning and time in office also creates policy distortions where representatives are incentivised to focus on immediate financial assistance rather than long-term policy development, a process that has become increasingly cyclical.

4. How does the increasing cost of politics affect governance, political accountability, and broader socio-economic development outcomes in Malaysia, including potential distortions in policymaking, rent-seeking behaviour, or public trust?

- **Finding 4a: Substantial personal campaign investments create post-election governance risks through policy capture pressures and expense recovery expectations, that can potentially compromise legislative integrity.**

The fundraising requirements for seeking office can distort policy priorities and create incentive structures for corruption that can undermine legislative independence and democratic accountability. Financial dependencies on campaign contributors create substantial risks of policy compromise, with one participant explaining the direct connection between funding and advocacy positions as: "in order to secure this number of amount of money and funds to run for political office, you need to follow whatever the funders wishes [if elected]" (KII-15, male, 25-34, independent, federal, urban, newcomer). This participant explained that funders might "lobby for [the party] to start talking about this issue, or even not be speaking up on this particular issue, and then you will be able to, in exchange for that, you will be able to secure funding".²⁴

Simultaneously, personal campaign expenditures create recovery pressures that can create incentive structures for corruption.²⁵ The recovery expectation appears systematically embedded within campaign finance realities, with individuals investing substantial personal resources with the implicit assumption that they can be reclaimed later when holding political office through business connections, contract opportunities, or other financial benefits that flow from political office even though efforts to boost transparency around governance are making this more difficult. But as this study has shown it is not just about recouping election expenditure; constituents expectations of the role of an elected official compound the financial demands on them, and further require them to locate sources of income in order to meet ongoing expenditure needs.

However, the same system simultaneously creates deterrent effects that may limit corruption opportunities. One KII participant acknowledged that current arrangements both encourage and discourage corruption "because the system is more complicated...more open, meaning...you are more exposed to the possibility of being caught" (KII-02, male, 35-44, PH, federal, semi-urban, incumbent).

- **Finding 4b: Political parties systematically prioritise candidates' financial capacity over competency in selection processes.**

Party candidate selection appears to increasingly prioritise fundraising ability over qualifications, creating merit-versus-money tensions in democratic representation. One participant explained how "one of the biggest questions [when seeking to become a candidate] was, how much can you

raise? Can you self finance? We had to submit our CTOS [credit] reports so our financial stability, our financial credits, were all taken into account" (KII-08, male, 25-34, independent, state, urban, newcomer). The participant acknowledged the problematic implications of such an approach "you could have damn good ideas, but completely unable to fundraise...there is no way you go forward." Even for newer parties, financial capacity becomes one of the major concerns in candidate selection, creating systematic exclusion of potentially qualified candidates who lack financial resources, which is often those who are new to politics or who are from marginalised groups.

This financial screening, which occurs across both established and newer parties, creates structural disadvantages for newcomers and marginalised candidates. One participant noted that newer parties suffer because "we do not have candidates with strong family political background and those from the elite group" (KII-15, male, 25-34, independent, federal, urban, newcomer), while opposition parties reduce candidacy because "not many people wish to contest because you have to pay by using your own money to contest" (KII-10, male, 35-44, PH, federal, semi-urban, newcomer).

This systematic prioritisation of fundraising ability can exclude highly capable individuals who possess strong policy knowledge, community connections, or leadership skills essential for effective governance. Furthermore it risks perpetuating representation by established wealthy networks even if there was some debate among participants engaged by this study as to whether fundraising ability correlates with, or undermines, effective representation and policymaking capabilities.

- Finding 4c: High political costs distort democratic representation by transforming representatives into personal financial providers while creating self-reinforcing cycles that systematically favour incumbents and established families, limiting democratic renewal and excluding newcomers despite their qualifications or community support.

Traditional representative functions have transformed into direct welfare provision responsibilities while high political costs create self-reinforcing cycles that entrench existing power structures, fundamentally distorting democratic representation through two interconnected mechanisms. Constituents now approach elected officials as primary sources of personal financial assistance rather than policy advocates, while cost barriers systematically limit democratic renewal by favouring established politicians.

Representative functions have evolved into comprehensive welfare provision that creates fundamental distortions in democratic representation. Representatives describe comprehensive welfare expectations that extend beyond education assistance to encompass wide-ranging financial requests where voters systematically "seize [the] moment during general election...they ask the candidates to finance their...air conditioners, many things" (KII-10, male, 35-44, PH, federal, semi-urban, newcomer).

Such demands fundamentally alter the representative relationship from policy advocacy to direct financial provision wherein incumbents with access to CDF are advantaged simply by having access to additional resources than competitors. This creates a parliamentary composition that skews toward those with existing advantages rather than reflecting broader demographic representation or emerging leadership capacity. Creating a cyclical entrenchment that threatens democratic vitality given that political systems remain dominated by established networks rather than remaining open to new perspectives and emerging leadership. Furthermore, with voters increasingly developmentally dependent on politicians democratic accountability mechanisms are at risk of irrelevance or distortion.

- **Finding 4d: The absence of comprehensive political finance regulation creates enforcement gaps and selective prosecution risks that undermine institutional accountability and democratic fairness.**

Malaysia's regulatory vacuum in political financing creates uncertainty and potential for arbitrary enforcement that undermines the rule of law in electoral processes. The regulatory gaps create particular challenges around transparency requirements. One participant noted that "funders [are] afraid of their identity being exposed, and then their political inclination...will be exposed" (K11-10, male, 35-44, PH, federal, semi-urban, newcomer), reflecting concerns about potential retaliation in Malaysia's political context. This fear indicates how regulatory uncertainty interacts with political dynamics to create additional barriers to transparency and accountability. Multiple participants referenced unclear boundaries between legitimate funding and corruption, creating operational uncertainty for political actors who lack clear guidance on permissible financing activities.

The regulatory vacuum also prevents the establishment of systematic oversight mechanisms that could ensure fairer electoral competition. Without comprehensive political finance legislation, enforcement becomes arbitrary and potentially politically motivated. This creates risks where prosecution decisions may be influenced by political considerations rather than consistent application of clear legal standards. The institutional accountability implications extend beyond individual cases to affect broader democratic credibility, as public confidence in electoral integrity may decline when citizens cannot assess whether political financing follows legitimate channels or represents corrupt practices.

5. What legal, institutional, or programmatic reforms could most effectively reduce or regulate the cost of politics in Malaysia, and why have some approaches gained more traction than others?

- **Finding 5a: A comprehensive Political Financing Act emerges as the most strongly supported reform, with broad consensus on regulation mechanisms, though significant implementation**

challenges center on disclosure requirements and concerns about potential political weaponisation that could disadvantage opposition participants remain.

There is broad consensus on the need for comprehensive legislation around political financing²⁶ despite implementation concerns about fairness and disclosure requirements. "We really need to have some sort of proper policy on how political parties need to be financed especially during elections, it's really important to make sure that, if we have a proper regulation" argued a participant (KII-06, male, 35-44, independent, state, urban, campaign manager). With multiple participants emphasising transparency, including asset declaration, as a core component of this approach.

However, concerns about retaliation have created hesitation about full transparency, and can in part explain opposition hesitancy to reveal financial contributors.²⁷ Concerns about donor retaliation led one participant to warn against "full disclosure of donors, because...Malaysia's system is still largely new and will penalise opposition if you do that" (KII-04, male, 25-34, independent, federal, semi-urban, incumbent). Suggesting that transparency measures designed to enhance democratic accountability could paradoxically undermine democratic participation by exposing opposition supporters to potential government retaliation. Nonetheless, all agree that strengthened legal frameworks, sensitive to these concerns, are needed to level the political playing field with reform suggestions including the banning of foreign funding, preventing GLCs from making political donations, and requiring donations to flow through official party accounts.

- **Finding 5b: Structural changes, including electoral reform, beyond financing may be necessary to address representation barriers.**

Appetite for electoral system reform responds to a view that winner-take-all systems intensify campaign cost pressures by making expensive campaigns essential for political viability. Switching to a proportional representation model reflects broader recognition among participants that Malaysia's first-past-the-post electoral system creates systematic biases favouring well-resourced candidates and established parties. FGD participants specifically identified problems including elite capture, entrenched political dynasties, incumbency advantages, and how resource-rich candidates maintain power. They noted that the current system creates barriers that perpetuate low diversity in elected representatives and result in selective succession planning within parties where leaders and elected representatives influence the choice of successor.

However, participants also recognised implementation challenges, including public unfamiliarity with proportional systems and potential resistance from parties that benefit from current arrangements. These obstacles suggest that while electoral reform attracts conceptual support, practical changes will face significant political and institutional barriers.

- **Finding 5c: Generational renewal and youth political participation reforms are needed to address demographic representation barriers, including within political parties.**

Participants demonstrated strong support for reforms that can support generational renewal and youth political participation, viewing them as essential for Malaysia's democratic development and

political competitiveness. Rather than incremental adjustments, participants identified structural barriers within political parties, especially, as fundamental obstacles requiring immediate attention. One participant emphasised the importance of selecting competent candidates regardless of demographics, arguing against party favouritism fails to serve community interests effectively. This perspective reflects broader participant recognition that competency-based rather than seniority-based advancement systems could facilitate youth integration while maintaining quality representation.

Reforms for institutional redesign are also essential for democratic competitiveness. Participants emphasised that parties must fundamentally reconsider their engagement with younger voters and empowerment of youth members to become next-generation leaders, recognising that generational renewal represents both a democratic imperative and strategic necessity. One participant articulated the "need to mobilise more good young leaders to enter into politics with principle and idealism to change the situation in the scenario," (KII-10, male, 35-44, PH, federal, semi-urban, newcomer) believing that youth political engagement could address broader systemic problems including corruption and patronage politics.

Specific institutional interventions could include addressing identified barriers, including lowering maximum ages for youth wing membership, scaling up long-term leadership training programmes, and instituting purpose-driven internship and mentorship programmes. One participant emphasised the importance of comprehensive training and support systems for aspiring politicians, noting the critical need for media training, political secretaries, and professional development support. These recommendations respond to the shortcomings of current party structures that delay youth advancement well into adulthood, limiting fresh perspectives and innovative approaches.²⁸ "You cannot just pass the political funding act without reforming the whole institutional structure of Malaysia democracy," (KII-04, male, 25-34, independent, federal, semi-urban, incumbent) argued one respondent suggesting that generational renewal connects to broader democratic transformation requirements.

The support for reform also encompasses cultural transformation, with participants emphasising that demographic representation barriers stem from deeply embedded practices privileging established networks over merit-based advancement.²⁹

- **Finding 5d: Campaign cost reduction through limiting expensive traditional advertising methods is a practical reform that does not require complex legislation or institutional changes.**

Campaign cost reduction through limiting traditional advertising methods represents a practical reform approach that avoids complex legislative requirements while directly addressing the highest campaign expense category identified across multiple constituencies. Specific restrictions on physical campaign materials, with support ranging from quantity caps to complete transitions toward digital alternatives, are areas where change can happen.

"We need the election commission to limit how many posters, how many buntings, how many flags that you can put up, because if it's unlimited, then people can just flood the place with all these things" argued one respondent (KII-01, male, 25-34, PN, state, semi-urban, newcomer). The same participant extended the concept to event restrictions, suggesting you can limit scale of events to prevent candidates from spending extensively on large rallies with stages, public address systems, and all these things. Another participant advocated for neutral platform solutions: "without political parties spending it, organising it [ceramah], I think that will be more equitable for everyone...at least you're giving platforms to every candidate" (KII-09, female, 35-44, independent, federal, rural, newcomer). This approach suggests creating public campaign forums that provide equal exposure opportunities without requiring individual candidate investment in expensive advertising infrastructure.

Resource-constrained candidates have already adopted these strategies by necessity. One participant described how "because of cost constraints, we pivoted a bit more to social media campaigning, which is free rather than spending so much on flags and everything" (KII-16, male, 25-34, independent, federal, semi-urban, former candidate). This demonstrates the practical viability of digital alternatives when traditional advertising becomes financially prohibitive.

Stronger controls on specific campaign methods could be implemented through EC regulations or amendments to existing election laws, avoiding complex institutional changes or constitutional modifications that require extensive political consensus. These reforms would particularly benefit candidates with limited resources who could leverage digital campaigning more effectively than expensive physical advertising methods. However, implementation challenges include ensuring equal digital access across urban-rural divides and preventing circumvention through third-party spending on restricted materials are needed, as rural constituencies still require a strong physical campaign presence despite digital alternatives being more cost-effective.

- **Finding 5e: Legal and statutory reforms must be accompanied by shifts in societal expectations about, and understandings of, politician-voter relationships.**

Cultural and societal expectation changes received recognition among study participants as fundamental requirements for effective reform, with a particular emphasis on civic education and voter behaviour modification to address patron-client relationships that drive ongoing financial obligations for representatives. Recognising that legal frameworks alone cannot address deeply embedded expectations about what politician-voter relationships should entail. Shifting public understanding of representative functions from personal financial provision toward policy advocacy and institutional representation is key, as heightened public political awareness can gradually create an environment where candidates can focus more on policy rather than sustaining patronage-based relationships.

Enhanced civic education, stronger civics instruction in school, and political literacy programmes are three ways that understandings of the relationships between the local council, state legislature, and federal parliament can be improved. The current lack of political education creates unrealistic

expectations for individual representatives to solve systemic problems through personal financial provision. Comprehensive civic education and expectation management, acknowledging how formal institutional changes interact with informal cultural practices to determine actual political outcomes, are also needed to complement more technical reforms. Without addressing these societal expectations, legal and institutional reforms are likely to have limited effectiveness.

- **Finding 5f: Implementation concerns about fairness and political weaponisation emerge as potential barriers to reform success, with limited but substantive evidence suggesting execution challenges may be as significant as political resistance.**

Implementation concerns related to fairness and potential political weaponisation need to be carefully managed in any reform process. One participant highlighted that reform implementation could "penalise opposition" due to Malaysia's political system dynamics (KII-04, male, 25-34, independent, federal, semi-urban, incumbent). They cautioned that "[the Malaysian Anti-Corruption Commission, MACC] can easily be weaponised against opposition donors" and argued that "you cannot just pass the political funding act without reforming the whole institutional structure of Malaysia democracy" because poorly implemented reforms could "tilt the balance [further] in the hands of the incumbents." This concern suggests that even well-designed reforms risk becoming sources of additional political inequality rather than solutions to existing barriers if enforcement agencies lack independence or operate with political bias must be considered in any reform conversations.

Political resistance to reform implementation also emerged through participant observations about administrative burden and enforcement selectivity. Indicating that politician opposition stems partly from implementation complexity rather than just principled disagreement with reform goals. Furthermore concerns were also expressed about established actors and parties, who are better connected, being more able to navigate compliance requirements that may be part of reform processes.

Recommendations

The following recommendations emerge directly from the study's findings and represent interventions to address barriers and excessive costs that limit political participation in Malaysia. These recommendations are not intended as an exhaustive policy agenda, but rather as evidence-based starting points for broader public discourse on how to create more accessible and affordable pathways to elected office.

The recommendations prioritise addressing the disproportionate barriers faced by women, youth, and PWD, groups whose underrepresentation in Malaysian politics reflects not a lack of interest or capability, but systematic structural obstacles that current systems present. The varying complexity of implementing these recommendations reflects the multifaceted, and often interconnected, nature of barriers identified through the research.

- **Enact political financing legislation** with donation caps, mandatory party-level reporting, and real-time disclosure during campaign periods.
- **Establish campaign period restrictions** limiting pre-campaign spending to the official 14-day period and closing loopholes that advantage well-resourced candidates who can afford extended unofficial campaigns.
- **Revise Election Offences Act 1954 spending limits** to reflect inflation and modern campaign realities.
- **Equalise Constituency Development Fund allocations** thereby ensuring identical amounts for all elected representatives regardless of party affiliation or status.
- **Establish an autonomous Political Finance Commission** separate from existing enforcement agencies with dedicated budget, investigative powers, and multi-party board representation.
- **Create public campaign financing options** providing basic funding for candidates who meet minimum signature thresholds, reducing dependence on private donors who tend to favour established male candidates.
- **Establish women's political development funds** within political parties to provide training, skills-building, and seed funding for first-time female candidates that include provisions, where needed, for childcare support programmes.
- **Launch a PWD candidate support programme** within the Electoral Commission to provide financial assistance for assistive technology, communication aids, mobility equipment, and personal support services.
- **Create separate categories for accessibility expenses** that don't count toward spending limits for PWD candidates.

- **Implement comprehensive political literacy curriculum** in secondary schools covering representative roles, democratic processes, and appropriate constituent-representative relationships.
- **Establish transparent candidate selection processes** by encouraging political parties to publish selection criteria, financial requirements, and demographic targets.
- **Reform political party structures to enhance youth engagement** by lowering the maximum age youth wings, expanding skills-building initiatives for emerging young leaders, and creating mentorship opportunities that provide practical experience and clear advancement routes within political organisations.

References

- ¹ Throughout this report, 'established parties' denotes parties that have contested at least three general elections and maintained continuous organisational presence since before 2015, including UMNO, PKR, DAP, PAS, and component parties of Barisan Nasional and the original Pakatan Rakyat coalition. 'Newer parties' refers to parties formed during or after Malaysia's recent period of political realignment (2015-present), such as MUDA, Amanah, and BERSATU, which often employ different organisational models and funding strategies compared to their more established counterparts. This distinction reflects both temporal and structural differences in party development, with implications for candidate selection, campaign financing, and political network access.
- ² The federal-level legal definition of youth in Malaysia is 15-40, although it will be lowered to 30-year age limit beginning 1 January 2026.
- ³ For cost of politics insights specific to women, see Ngeow, C. Y., Dhivya, A., & Chang Xi, W. (2025). Women and cost of politics in Malaysia: Towards inclusive and affordable political participation. Westminster Foundation for Democracy & Project SAMA. <https://projeksama.org/2025/09/11/women-and-cost-of-politics-in-malaysia-towards-inclusive-and-affordable-political-participation/>
- ⁴ For additional context on Malaysia's 2022 general election, see: Wong, Chin-Huat. (2023). "Introduction: Hung parliament, coalition government and the rise of the Islamists – Malaysia after the 2022 election." The Round Table: The Commonwealth Journal of International Affairs and Policy Studies, 112(3), 249-265.
- ⁵ International Republican Institute. (2024). Obstacles and opportunities for next generation leaders: A barrier analysis of youth in Malaysian political parties. <https://www.iri.org/resources/obstacles-and-opportunities-for-next-generation-leaders/>
- ⁶ 1 USD is equal to 4.2 Malaysian Ringgit
- ⁷ Gomez, Edmund Terence and Tong, Joseph, Financing Politics in Malaysia: Reforming the System (March 21, 2018). Australian Journal of Asian Law, 2017, Vol 18 No 2, Article 3: 119-135.
- ⁸ Dettman, Sebastian Carl, & GOMEZ, Edmund Terence. (2020). Political financing reform: Politics, policies, and patronage in Malaysia. Journal of Contemporary Asia, 50(1), 36-55.
- ⁹ The 1MDB scandal involved the alleged misappropriation of at least USD \$3.5 billion from a Malaysian government investment fund, with approximately USD \$681 million deposited into Prime Minister Najib Razak's personal bank account.
- ¹⁰ Institute for Democracy and Economic Affairs (IDEAS). (2023). All-Party Parliamentary Group's (APPG) Political Financing Bill 2023. <https://www.ideas.org.my/publications-item/the-all-party-parliamentary-groups-appg-political-financing-bill-2023/>
- ¹¹ Gomez & Tong (2020)
- ¹² Gomez & Tong (2018)
- ¹³ Ngeow, et al. (2025)
- ¹⁴ This finding is corroborated by Ngeow et al. (2025)
- ¹⁵ For further details on financing barriers during the 2022 general election see Azhari, A. (2022). Malaysian General Election: Cash, Campaigns and Candidates. RSIS Commentary, 131. S. Rajaratnam School of International Studies, NTU Singapore. <https://www.rsis.edu.sg/wp-content/uploads/2022/12/CO22131.pdf>
- ¹⁶ Ngeow, et al. (2025)
- ¹⁷ For additional in-depth research on unequal CDF distribution and electoral advantage see Sri Murniati & IDEAS Institute. (2021). Removal or reform: Charting the way forward for Malaysia's constituency development funds (Peruntukan Ahli Parlimen dan ADUN). Institute for Democracy and Economic Affairs (IDEAS). <https://www.ideas.org.my/publications-item/removal-or-reform-charting-the-way-forward-for-malaysias-constituency-development-funds-peruntukan-ahli-parlimen-dan-adun/>
- ¹⁸ See Murniati & IDEAS (2021) for the use of CDF funds.
- ¹⁹ The authors do not provide a definitive incumbency return rate from GE15 because the frequency of party hopping among elected MPs make this difficult to do comprehensively. But the perception of incumbency advantage was reflected in the conversations held during this study.
- ²⁰ See Ngeow, et al (2025) for additional insights.
- ²¹ For more on this subject, see Ngeow, et al. (2025).
- ²² See also Konrad-Adenauer-Stiftung (2023). Challenges for women in political parties in Malaysia. KAS Malaysia Publications. <https://www.kas.de/en/web/malaysia/single-title/-/content/challenges-for-women-in-political-parties-in-malaysia>

²³ International Republican Institute. (2024). Obstacles and opportunities for next generation leaders: A barrier analysis of youth in Malaysian political parties. <https://www.iri.org/resources/obstacles-and-opportunities-for-next-generation-leaders/>

²⁴ See Dettman, Carl, & Gomez. (2020) for research on the influence of political donors.

²⁵ Malaysia is ranked 57th out of 180 countries on Transparency International's Corruption Perceptions Index 2024.

²⁶ For details on the latest publicly available proposal for political financing, see Institute for Democracy and Economic Affairs (IDEAS). (2023). All-Party Parliamentary Group's (APPG) Political Financing Bill 2023.

<https://www.ideas.org.my/publications-item/the-all-party-parliamentary-groups-appg-political-financing-bill-2023/>

²⁷ Khoo, Y. H. (2019). Political financing reform: Politics, policies and patronage in Malaysia. *Contemporary Southeast Asia*, 41(1), 77-102.

²⁸ See International Republican Institute (2024) and Konrad-Adenauer-Stiftung (2023).

²⁹ See International Republican Institute (2024) for merit-based advancement barriers and opportunities to overcome them within political parties.

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