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Global Health Security

Malaysia's COVID-19 Strategy

By Jose Ricardo Sto. Domingo

SYNOPSIS

Malaysia's decision to impose a Movement Control Order (MCO) was its best option to reduce further infection, but its sudden announcement initially caused public confusion and reflected insufficient planning. The government's extension of the order suggests it needs more time to regain full control of the situation.

COMMENTARY

ON 12 MARCH 2020, the World Health Organisation declared COVID-19 a pandemic, with the coronavirus running rampant across many parts of the West. Meanwhile, after what seemed to be a slowdown in February, Southeast Asian countries began to experience a "second wave" of COVID-19 infections, in Indonesia, the Philippines, Singapore, and Malaysia.

Malaysia suffered a spike of cases arising from the Sri Petaling Tabligh religious gathering outside of Kuala Lumpur from 28 February to 2 March. The event was reportedly attended by 16,000 participants including 1,500 foreigners, resulting in the largest known cluster of COVID-19 infections with 1,117 cases testing positive so far. To date, Malaysia has more than 2,000 confirmed cases as of 26 March, the most among ASEAN countries. Critically, 80 health ministry staff members have been infected.

The Movement Control Order

The government announced the Movement Control Order (MCO) about a week and a half after the Tabligh event, only after a steady increase of cases were discovered. It

restricted movement within, and out of the country, banned mass gatherings, and stopped all non-essential services.

The sudden announcement was criticised for its timing and unclear guidelines, which caused unnecessary crowds at police stations and public transit as well as panic buying at groceries and supermarkets.

Nevertheless, the MCO was imposed to prevent a repeat of the Tabligh event. It makes tracking and monitoring of potential cases easier. Six days after the MCO commenced, it was announced that the military would be deployed due to less than satisfactory public compliance.

This was a step to bring on board the military's manpower and competence in large-scale planning, organisation and logistical support. The MCO has also been extended from 31 March to 14 April. Tighter controls are being imposed due to high infection rates, with two areas in the state of Johor having just been put under complete lockdown.

Another extension would not be a surprise as market reports indicate the peak infection rate for Malaysia will come around mid-April and could possibly last for two more weeks, reaching an estimated 6,300 total cases.

The mishandled announcement of the MCO could be attributed to the new Perikatan Nasional (PN) government just getting organised. The lull in reported new coronavirus cases between 16 – 27 February along with the political coup known as the 'Sheraton Move' from 23 February to 2 March may have also contributed to the lack of government focus on COVID-19.

Prime Minister Muhyiddin Yassin only swore in new ministers on 10 March, so there could have been a lack of direction and planning for more than two weeks.

MCO Extension

PM Muhyiddin's early announcement on 25 March that the MCO has been extended to 14 April is a sign that the government has learned from experience and is giving the people more advance notice. Policies governing the MCO are the responsibility of the National Security Council (NSC), chaired by the prime minister.

Under the previous Pakatan Harapan (PH) government, then Deputy Prime Minister Wan Azizah was the Chairman of the Disaster Management Centre Committee and would make the key government announcements on COVID-19. Under PN, apart from the prime minister, various senior ministers have made policy statements on the matter, as have relevant ministers.

(PM Muhyiddin had resisted pressures to appoint a DPM among the coalition parties, and instead appointed four "senior ministers" from different parties.)

To improve coordination among the different ministries during the MCO, the government has created a special ministerial committee, headed by Senior Minister

Ismail Sabri. This has helped to streamline government communications to some degree.

Under Control, but Problems Exist

Malaysia's public institutions and experienced public servants in the Health Ministry and other departments have handled the COVID-19 situation relatively well. Despite currently having the highest number of cases in Southeast Asia, its death rate at 1.1% has been relatively low compared to Indonesia and the Philippines. Its higher numbers reflect its more extensive testing. The government has shown that it has the capacity and resources available to handle the matter so far.

The MOH has designated hospitals and areas to focus on COVID-19 and plans to emulate South Korea's strategy of mass testing. 34% of Malaysian hospital beds dedicated to COVID-19 patients are being utilised, with 3,585 more ready. Putrajaya has also allocated an additional RM600 million (SGD200 million) to the MOH for equipment and personnel against COVID-19.

Putrajaya has also shown a willingness to cooperate with close neighbour, Singapore. An estimated 300,000 Malaysian workers who commute daily between the two countries were affected by the sudden MCO announcement. The Causeway and Second Link connect both countries, supporting an important supply line of food, goods and services.

The sudden announcement drove people to rush back into both countries. Coordination from both governments under PM Muhyiddin and PM Lee Hsien Loong, as well as Singapore Senior Minister Teo Chee Hean and Senior Minister Ismail Sabri, have since brought more clarity to the situation.

A Joint Committee with three working groups serves to facilitate the movement of people, and goods at the borders.

Economic Challenges

The MCO, and its extension, present serious challenges to an already battered economy headed for technical recession. Initially, to support the flagging economy, the central bank, Bank Negara Malaysia, had cut interest rates and the then PH government had announced a RM20 billion (SGD 6.7 billion) stimulus package.

Today, that is not enough as the new PN government must now also support its citizens affected by the MCO. Though supply lines remain open, food production may become a problem, and jobs and wages are at risk, especially for those in the informal sector. It has been two weeks of people staying at home and non-essential businesses remaining closed, and the extension will strain resources further.

Amidst rising calls from the public and the Opposition for more help for the people, PM Muhyiddin has pushed forward the unveiling of a second stimulus package from 30 March to 27 March.

The central bank has announced a six-month moratorium on loan repayment by individuals and small businesses. The government has also allowed Malaysians to withdraw monthly RM500 (SGD167) from their Employees Provident Fund (EPF) accounts. This has been criticised for neglecting those without sufficient EPF savings and its negative effects on workers' retirement savings.

It would be wise for the PN government to include cash injections for both individuals and SMEs, and help provide social safety nets for Malaysians caught in the economic fallout. This would help to sustain the real economy and maintain social order as the MCO drags on.

Malaysia Post-COVID-19

Malaysia has sought to leverage its warm relations with partners such as China and the United Arab Emirates (UAE), with Foreign Minister Hishammuddin Hussein saying that his ministry has been speaking with foreign governments for medical assistance.

Malaysia has sought to handle China sensitively since the start of the infection in January. It had imposed limited travel restrictions on China in late January and announced that it was sending 18 million pieces of medical gloves, and protective clothing.

China has warmly reciprocated with donations just as Malaysia is experiencing its own spike. This positive dynamic bodes well for Malaysia, which can expect more Chinese investments and trade once the pandemic settles down.

COVID-19 will test the ability of PM Muhyiddin and his PN coalition to manage the country's economic and political challenges going forward. It could make or break the coalition's chances in the next general election.

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