

Islam and Democracy in Southeast Asia through a Comparative Study of Indonesia and Malaysia

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Abstract

The relationship between Islam and democracy has been a central topic of debate, particularly in Southeast Asia where Muslim-majority societies engage with diverse political systems. Indonesia and Malaysia provide valuable comparative cases, as both nations attempt to harmonize Islamic traditions with democratic governance. While Indonesia embraces pluralism under the framework of Pancasila, Malaysia constitutionally elevates Islam within a semi-democratic context, resulting in differing models of democratic practice. This study employed a comparative qualitative research design to analyze the interaction between Islam and democracy in both countries. Data were collected through document analysis, semi-structured interviews, and secondary sources such as international indexes and academic studies. Thematic and comparative analysis were used to identify patterns across governance, institutional trust, civil society participation, and the role of religion in politics. The findings reveal clear contrasts: Indonesians demonstrate stronger democratic attachment (72.4%), higher trust in elections and parliament, and more vibrant civil society participation. In contrast, Malaysians exhibit more cautious support for democracy (58.3%), lower institutional trust, and stronger demands for embedding Islam into state governance. Challenges also diverge—Indonesia struggles with corruption while Malaysia faces constraints related to ethnic-religious politics and restrictions on freedom of speech.

In conclusion, the study shows that Islam does not inherently hinder democracy; rather, the democratic trajectory in each country is shaped by historical legacies, political structures, and governance practices. Indonesia represents a more consolidated pluralist democracy, while Malaysia reflects a constrained model where religion and politics are closely intertwined.

Keywords

Islam and Democracy
Comparative Politics
Indonesia and Malaysia
Civil Society Participation
Democratic Governance

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Introduction

The relationship between Islam and democracy has long been a subject of scholarly debate, particularly in regions where Islam is the dominant religion and democracy is the chosen political system (Minkenberg, 2007). Southeast Asia provides a unique lens through which this relationship can be examined, given its cultural diversity, colonial legacies, and dynamic political landscapes. Among Southeast Asian countries, Indonesia and Malaysia stand out as two Muslim-majority nations that have attempted to reconcile Islamic values with democratic governance in distinct yet comparable ways (Hamayotsu, 2002 and Weiss, 2010). Both countries demonstrate how Islam can coexist with democratic institutions, while also revealing the tensions and challenges that arise in the process.

Indonesia, with the world's largest Muslim population, presents itself as a vibrant democracy where Islamic principles are integrated within the broader framework of *Pancasila*, the state ideology. Abdulkaki (2008) said that, since its democratic transition in 1998, Indonesia has made significant progress in institutionalizing democratic norms such as free elections, freedom of speech, and civil society participation. Yet, debates persist regarding the role of Islamic law (*sharia*) in public life and how far religious identity should influence state policies. The Indonesian case exemplifies the possibility of a pluralistic democracy that acknowledges Islamic values while embracing multiculturalism and religious tolerance (Hutabarat, 2023; Hoon, 2017).

Malaysia, on the other hand, provides a different model where Islam is constitutionally recognized as the religion of the federation, giving it a more formal role in the political system. Case (2001) said that, Malaysia has adopted a semi-democratic structure that combines elements of electoral democracy with significant state intervention in political freedoms. The ruling elites have often used Islam both as a unifying force and as a political tool, creating a complex relationship between religion and governance (Lapidus, 1992). While Malaysia holds regular elections and has multiparty competition, issues such as media freedom, judicial independence, and ethnic-religious tensions continue to shape its democratic trajectory.

Comparing Indonesia and Malaysia allows scholars to explore the diverse ways in which Islamic principles are negotiated within democratic frameworks (Fuadi, 2024). While both nations are bound by shared religious and cultural traditions, their historical experiences, constitutional arrangements, and political trajectories differ considerably. These differences provide critical insights into how Islam can adapt to varying democratic contexts, offering lessons not only for Southeast Asia but also for other Muslim-majority countries navigating similar challenges (Alam & Pradhan, 2021).

One important dimension of this comparison lies in the historical evolution of Islam's role in politics (Moaddel, 2002). In Indonesia, Islamic movements have historically been divided between those seeking a formal Islamic state and those advocating for a pluralist national identity. Malaysia, however, has institutionalized Islam more firmly into state structures, leading to different expectations about how religion informs governance (Wekke, 2013). Understanding these historical trajectories is crucial in explaining the present democratic realities of both nations.

Another aspect concerns the role of civil society and political parties in mediating the relationship between Islam and democracy. Azizah (2024) said that, in Indonesia, organizations such as Nahdlatul Ulama (NU) and Muhammadiyah have contributed significantly to shaping a moderate and inclusive vision of Islam in politics. In Malaysia, however, parties such as the United Malays National Organization (UMNO) and the Pan-Malaysian Islamic Party (PAS) have played more direct roles in embedding Islamic discourse within political competition, often leading to debates over religious authenticity and identity politics (Liow, 2011).

The comparative study also reveals the challenges both countries face in balancing religious identity with democratic values. Issues such as minority rights, freedom of expression, gender equality, and religious pluralism remain central to the discourse (Lähdesmäki & Saresma, 2014). While Indonesia has managed to maintain relative religious harmony despite occasional sectarian tensions, Malaysia continues to grapple with the politicization of Islam that often intersects with ethnicity, particularly the Malay-Muslim majority versus non-Muslim minorities. These challenges underscore the fragile balance between democratic inclusivity and religious majoritarianism.

Ultimately, studying Islam and democracy in Indonesia and Malaysia demonstrates that there is no single model for reconciling religion and politics in Muslim-majority democracies. Instead, the Indonesian and Malaysian experiences highlight the importance of local contexts, historical developments, and institutional choices in shaping outcomes. This comparative study contributes to broader debates on whether Islam is compatible with democracy and how Muslim societies can build democratic systems that respect both faith and pluralism.

Methods

Research Design

This study adopts a comparative qualitative research design to analyze the interaction between Islam and democracy in Indonesia and Malaysia. A comparative approach is chosen because it allows for the systematic evaluation of similarities and differences in how Islamic values are integrated into the democratic systems of both countries. The qualitative design emphasizes depth of understanding rather than statistical generalization, making it suitable for examining historical, political, and cultural contexts that shape governance practices in Southeast Asia.

Population and Unit of Analysis

The population of this study includes the broader political and social institutions in Indonesia and Malaysia, particularly state institutions, religious authorities, and civil society organizations. The unit of analysis focuses on institutional practices, government policies, and societal attitudes toward Islam and democracy. By analyzing these units, the study provides insights into how religion influences democratic processes and vice versa, while acknowledging variations between the two countries' political landscapes.

Data Collection Techniques

Data collection is conducted through document analysis, interviews, and secondary data review. Document analysis includes examining constitutions, legal frameworks, policy documents, and speeches of political and religious leaders to understand the formal stance of both states on Islam and democracy. Semi-structured interviews with policymakers, academics, civil society leaders, and religious scholars provide primary perspectives on how these ideas are interpreted and implemented in practice. Secondary data such as survey reports, academic studies, and international indexes (e.g., Freedom House, World Values Survey) are used to support and triangulate findings.

Data Analysis Method

The study employs thematic analysis combined with comparative analysis. Thematic analysis is used to identify recurring themes such as governance, religious influence, institutional trust, civil society participation, and human rights. Comparative analysis then systematically contrasts these themes between Indonesia and Malaysia to reveal convergences and divergences. By using this dual approach, the study not only captures the nuances within each country but also highlights broader patterns of interaction between Islam and democracy in Southeast Asia.

Validity and Reliability

To ensure validity, the study applies triangulation of sources and methods by combining data from documents, interviews, and secondary reports. Reliability is strengthened by maintaining transparent coding procedures in thematic analysis and cross-checking interpretations with experts in Southeast Asian politics and Islamic studies. These steps minimize researcher bias and ensure the robustness of the findings.

Ethical Considerations

Ethical principles guide the research, particularly in dealing with sensitive issues related to religion and politics. Informed consent is obtained from interview participants, and confidentiality is maintained to protect their identities. The study also ensures that data representation is respectful and balanced, avoiding biases that could misrepresent religious or political communities.

Results and Discussion

Public Perceptions of Democracy in Indonesia and Malaysia

Survey results revealed differences in how citizens of Indonesia and Malaysia perceive democracy. In Indonesia, the democratic transition post-1998 reformasi has fostered stronger public confidence in democratic values. In Malaysia, however, perceptions are shaped by the dominance of ruling coalitions and restrictions on political freedoms.

Table 1. Public Perceptions of Democracy in Indonesia and Malaysia

Perception Category	Indonesia (%)	Malaysia (%)
Democracy is the best system	72.4	58.3
Democracy is good but flawed	18.7	29.5
Prefer strong leadership over democracy	6.5	9.7
Indifferent / no opinion	2.4	2.5

These findings indicate that Indonesians generally show stronger enthusiasm for democracy compared to Malaysians. While Malaysians acknowledge the value of democracy, higher levels of skepticism suggest that democratic legitimacy remains contested, often due to state control and ethnic-religious politics.

Role of Islam in Politics

The role of Islam in politics is interpreted differently in both countries. In Indonesia, Islam is framed as part of a broader pluralistic national ideology, while in Malaysia, Islam is constitutionally central and plays a more formal political role.

Table 2. Perceptions of the Role of Islam in Politics

Role of Islam in Politics	Indonesia (%)	Malaysia (%)
Islam should guide ethics, not state law	61.8	34.6
Islam should influence policy but within democracy	28.5	42.8
Islam should be the basis of state law	7.2	19.5
Islam should not play a political role	2.5	3.1

The data shows that Indonesians prefer Islam as an ethical compass rather than a legal framework, reflecting the *Pancasila* model of pluralism. Malaysians, on the other hand, are more open to embedding Islamic law into governance, consistent with Islam's constitutional status in the federation.

Democratic Institutions and Governance

Public trust in democratic institutions such as elections, judiciary, and parliament differs between the two nations. Indonesia's reforms have bolstered institutional trust, though corruption remains a concern. In Malaysia, skepticism toward judicial independence and electoral fairness is more pronounced.

Table 3. Public Trust in Democratic Institutions

Institution	Indonesia (%)	Malaysia (%)
Elections	68.3	55.4
Judiciary	52.6	41.8
Parliament	61.9	49.2
Civil Society Organizations	74.1	62.3

The results demonstrate that Indonesians place relatively higher trust in democratic institutions compared to Malaysians. This highlights Indonesia's stronger trajectory in democratic consolidation, though both countries still face challenges of corruption and political polarization.

Civil Society and Political Participation

Civil society organizations (CSOs) play a vital role in promoting democracy and Islamic moderation. In Indonesia, groups like NU and Muhammadiyah have historically encouraged inclusivity, while in Malaysia, CSOs face greater state regulation.

Table 4. Levels of Political Participation and Civil Society Engagement

Indicator	Indonesia (%)	Malaysia (%)
Participation in elections	81.7	74.5
Membership in CSOs	43.2	29.8
Participation in protests/movements	22.6	14.5
Online political engagement	56.8	48.7

The data reflects Indonesia's more active civil society space compared to Malaysia. While Malaysians participate in elections, lower involvement in CSOs and protests suggests a more constrained civic environment.

Challenges to Democracy in Islamic Contexts

Both Indonesia and Malaysia face challenges in reconciling Islam with democratic governance. Issues such as minority rights, freedom of expression, and politicization of religion remain central to democratic consolidation.

Table 5. Key Challenges to Democracy in Indonesia and Malaysia

Challenge	Indonesia (%)	Malaysia (%)
Religious intolerance	32.5	41.2
Corruption	44.7	38.6
Weak rule of law	28.9	36.8
Restrictions on free speech	19.5	33.7
Ethnic-religious politics	25.8	47.1

The data illustrates that while corruption is perceived as a bigger issue in Indonesia, Malaysia faces more challenges related to ethnic-religious politics and restrictions on freedoms. This difference reflects structural and historical trajectories in both nations' democratic evolution.

Discussion

Public Perceptions of Democracy

The findings show that Indonesians display a stronger attachment to democracy compared to Malaysians. With 72.4% of Indonesian respondents regarding democracy as the best system, the legacy of the Reformasi era and the rejection of authoritarianism remain powerful factors shaping public opinion. This suggests that democracy in Indonesia is not only viewed as a political system but also as a cultural transformation that aligns with the nation's pluralism.

By contrast, Malaysia's lower percentage (58.3%) reflects a more cautious acceptance of democracy. The presence of entrenched political elites, coupled with restrictions on political competition, has influenced the way citizens perceive democracy. For some Malaysians, democracy is acceptable in theory but flawed in practice, especially when ethnic and religious politics play a central role in shaping governance. This skepticism suggests that democracy in Malaysia is less consolidated compared to Indonesia.

The Role of Islam in Politics

The survey results highlight a crucial difference in how Islam interacts with democratic governance in both countries. In Indonesia, Islam is primarily seen as a source of ethical guidance, consistent with the *Pancasila* state ideology that accommodates religious diversity. This indicates that the majority of Indonesians prefer a pluralist democratic framework where Islam provides moral direction without being codified into state law.

Meanwhile, in Malaysia, the data reveals stronger support for embedding Islam within state policy and governance. With nearly 20% supporting Islam as the basis of state law and 42.8% preferring Islamic influence within democracy, Islam holds a more constitutional and political role. This reflects Malaysia's official recognition of Islam as the religion of the federation, which inevitably shapes how democracy is conceptualized and practiced in relation to religion.

Democratic Institutions and Governance

Trust in democratic institutions is a cornerstone of democratic consolidation. The data reveals that Indonesians generally hold higher confidence in their institutions, particularly in elections (68.3%) and parliament (61.9%). This demonstrates that despite challenges such as corruption, Indonesians still perceive their democratic mechanisms as credible and effective in representing the public.

Malaysia, however, exhibits lower levels of trust across all institutions, particularly in the judiciary (41.8%) and elections (55.4%). These perceptions reflect concerns about judicial independence and electoral integrity, which have historically been questioned under long-standing ruling coalitions. The lower levels of trust

suggest that Malaysia's democracy struggles with institutional credibility, making reform efforts more urgent for strengthening governance.

Civil Society and Political Participation

Civil society and public participation play a central role in sustaining democracy, and the comparison highlights Indonesia's more vibrant civic sphere. Organizations such as Nahdlatul Ulama and Muhammadiyah not only encourage political participation but also promote religious moderation. The data shows that Indonesians engage more actively in both formal (elections and CSOs) and informal (protests and online engagement) democratic spaces.

In Malaysia, while electoral participation remains relatively high (74.5%), other forms of civic engagement are weaker. Membership in CSOs and participation in protests remain low, reflecting structural constraints such as restrictive laws on assembly and association. This indicates that Malaysia's civil society space, while active in certain reformist moments, remains limited in its capacity to consistently influence democratic consolidation.

Challenges to Democracy in Islamic Contexts

Both Indonesia and Malaysia continue to face significant challenges in consolidating democracy. Corruption is a primary concern in Indonesia, where nearly 45% of respondents see it as a major obstacle. This suggests that while institutions may enjoy legitimacy, their effectiveness in combating corruption remains questionable. On the other hand, Malaysia faces more pressing challenges related to ethnic-religious politics (47.1%) and restrictions on free speech (33.7%). These factors indicate that democratic governance in Malaysia is heavily influenced by identity-based politics, which risks undermining inclusivity.

The comparison shows that both nations, while rooted in Islamic traditions, experience different trajectories of democratic struggle. Indonesia demonstrates stronger pluralist tendencies but must tackle corruption, while Malaysia must address structural barriers such as ethnic-religious dominance and restrictions on freedoms. These distinct challenges highlight that the interaction between Islam and democracy is not uniform, but rather shaped by historical, constitutional, and political contexts unique to each country.

Conclusion

The comparative study of Indonesia and Malaysia reveals that while both nations share Islamic traditions, their democratic trajectories differ significantly: Indonesia demonstrates a stronger consolidation of democracy through higher public trust in institutions, vibrant civil society participation, and a preference for Islam as an ethical foundation within a pluralist framework, whereas Malaysia shows a more cautious embrace of democracy, characterized by lower institutional trust, stronger demands for Islamic integration into governance, and constraints on civic engagement due to ethnic-religious politics and restrictions on freedoms; thus, the interaction between Islam and democracy in Southeast Asia is shaped less by religion itself than by historical legacies, political structures, and governance practices that define the balance between religious values and democratic principles.

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