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MALAYSIA'S FOREIGN POLICY THE FIRST FIFTY YEARS

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MALAYSIA'S FOREIGN POLICY

THE FIRST FIFTY YEARS

Alignment, Neutralism, Islamism

JOHAN SARAVANAMUTTU



INSTITUTE OF SOUTHEAST ASIAN STUDIES

Singapore

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Institute of Southeast Asian Studies
30 Heng Mui Keng Terrace
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Malaysian Prime Minister Abdul Razak Hussein, accompanied by Vice Premier Li Hsien-nien, acknowledges the cheers of Chinese girls waving the Malaysian and Chinese flags and streamer ribbons on 28 May 1974. The Malaysian Premier's visit to China was the occasion for Malaysia's establishment of diplomatic relations with the People's Republic of China. (*Picture by Noordin Sopiee, courtesy of NSTP.*)

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For

Adil & Rosa

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PREFACE

The idea of writing a major work on Malaysian foreign policy has been many years in gestation. The idea came to fruition when the Institute of Southeast Asian Studies (ISEAS) kindly offered me a visiting research fellowship in 2007. As with all projects of this sort, deadlines became elastic, not least of all because of the volatile and changing times we live in. In the course of researching and sourcing material for the book, there have been tumultuous developments in Malaysia along with significant global developments. Accounting for such changes is a constant hazard of good writing. However the test of any academic work must be its enduring relevance and I do hope my readers will not be disappointed.

A good part of the material for my book was largely derived from a previous work and this provided a rather comfortable cushion on which to recast old and new in the context of the current times. Although I have drawn on previous writings I wish to assure the reader that the material has been duly reconfigured to suit the arguments and overall theoretical thrust of this present work. Where convenient, I have sourced and acknowledged my previous publications as articles in journals or chapters in books, citing them by the usual academic conventions. This notwithstanding, I wish to acknowledge Penerbit USM for the use of substantial factual portions of my previous book, *The Dilemma of Independence: Two Decades of Malaysia's Foreign Policy 1957–1977*, published in 1983.

The subject of this book spans some fifty years, a large expanse of time by any measure. My first responsibility was to render correctly the facts covered over this wide swathe of time. The second task was perhaps even more difficult, namely, to frame these facts within certain conceptions of meaning. While facts can never be altered, the manner by which we interpret them is clearly marked by certain currents of thought, intellectual constructs, and paradigms. Remarkably, the fields of international relations and foreign policy study have been highly stable. There remain broadly two kinds of analysts, realists and idealists, sometimes found in their new incarnations as “neo-realists” and “constructivists”. I lean more naturally on the side of constructivism. However, this should not be taken as a slavish adherence to any particular school of thought. Indeed, an appreciation of realism and sensitivity to critical theory are important epistemic antidotes to certain modes of idealistic thinking, at times too liberally indulged by the social sciences.

Readers not interested in theory should read the book as a chronicle of the highly eventful and often controversial meanderings of Malaysian foreign relations over fifty years.

Let me take the opportunity here to thank the two anonymous readers of my manuscript who gave me useful and constructive criticisms in revising it for final publication. Deepest thanks go to Maznah who is at once my severest critic and staunchest ally.

Johan Saravanamuttu
December 2009

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Finally, I wish to acknowledge and record my thanks to the many senior diplomats, government officials, and others who were interviewed by me or had conversations with me through the years of 2007/2008/2009 when I was writing the book. Where appropriate, they have been duly attributed in my text and footnotes but I can assure them that I have also assiduously avoided unwanted attribution on sensitive questions. Similarly, let me also take the opportunity to acknowledge previous interviews and communications with important individuals which I completed in 1975 when I was conducting

my doctoral fieldwork. In my citations I have retained their original formal positions and mostly left out honorifics and titles. Some of these individuals would have received new honours and taken up new positions and some have passed on, so I do seek their families' indulgence for having cited their names again in this book.

Johan Saravanamuttu

ABBREVIATIONS AND GLOSSARY

ABIM	Angkatan Belia Islam Malaysia (Islamic Youth Movement of Malaysia)
ABC	ASEAN Brussels Committee
ACCIN	Allied Coordinating Committee of Islamic NGOs
ACA	Anti Corruption Agency
ACCRIS	ASEAN Coordinating Committee for the Reconstruction and Rehabilitation of Indochina States
ACFTA	ASEAN-China Free Trade Area
ARF	ASEAN Regional Forum
AFTA	ASEAN Free Trade Area
AJCEP	ASEAN-Japan Comprehensive Economic Partnership Agreement
AMDA	Anglo-Malayan Defence Agreement
AMED	Asia-Middle East Dialogue
ANZAM	Anglo-New Zealand-Australia-Malaysia Defence Area
ANZUZ	Australia-New Zealand-US Defence Area
APEC	Asia Pacific Economic Council or Community
APR	Asia Pacific Roundtable
ARMM	Autonomous Region of Muslim Mindanao
ASAS/ASA	Association of Southeast Asian States
ASEAN	Association of Southeast Asian Nations
ASEM	Asia-Europe Meeting
ASG	Abu Sayyaf Group
ASLI	Asian Strategy and Leadership Institute
Berdikari	Self-reliance
BITAC	Bilateral Training and Consultation
BN	Barisan Nasional
BNPP	National Liberation Front of Patani
BRN	National Revolutionary Front (Patani)
CEPT	Common Effective Preferential Tariff
CHOGM	Commonwealth Head of Government Meeting
CIQ	Customs, Immigration and Quarantine

CLOB	Central Limit Order Book
Colombo Plan	British Commonwealth association of countries
Danaharta	Asset Management Corporation
Danamodal	Special Purpose Vehicle (for capital management)
DAP	Democratic Action Party (Malaysia)
EAEC	East Asian Economic Centre
ECAFE	Economic Commission for Asia and the Far East
EON	Edaran Otomobil Nasional or National Car Sales Company
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FIC	Foreign Investment Committee
FIDA	Federal Industrial Development Authority (predecessor to MIDA)
FPDA	Five Power Defence Arrangement
FPI	Front Pembela Islam (The Islamic Defender Front)
FTA	Free Trade Agreement
GAM	Gerakan Aceh Merdeka (Free Aceh Movement)
GATT	General Agreement on Trade and Tariffs
GERAKAN	Parti Gerakan Rakyat Malaysia (People's Movement Party of Malaysia)
GRP	Government of the Republic of the Philippines
GSP	System of Preference
HDC	Halal Industry Development Corporation
HICOM	Heavy Industries Corporation of Malaysia
HINDRAF	Hindu Rights Action Force
IBRD	International Bank for Reconstruction and Development or World Bank
ICAO	International Civil Aviation Organization
ICJ	International Court of justice
ICMI	Indonesian Association of Muslim Intellectuals
IDB	Islamic Development Bank
IDFR	Institute of Diplomacy and Foreign Relations
IDR	Iskandar Development Region
IDA	International Development Association
IGO	Inter-Governmental Organization
IIU	International Islamic University
IKIM	Institute of Islamic Understanding
ILO	International Labour Organization

IMF	International Monetary Fund
IMT	International Monitoring Team
INTERFET	International Force East Timor
IPCCM	Independent Police Complaints and Misconduct Commission
IRCON	Indian Railway Construction Company
ISA	Internal Security Act
ISNA	Islamic Society of North America
ISIS	Institute of Strategic and International Studies
ITC	International Tin Council
ITU	International Telecommunications Union
JAKIM	Jabatan Kemajuan Islam Malaysia (Department of Islamic Development Malaysia)
JAMECA	Japan-Malaysia Economic Association
JMEPA	Japan-Malaysia Economic Partnership Agreement
JAWI	Jabatan Agama Wilayah or Kuala Lumpur Religious Department
Jl	Jemaah Islamiyah or Islamic Congregation
JIM	Jakarta Informal Meetings
JIM	Jemaah Islah Malaysia or Islamic Reform Congregation of Malaysia
JPA	Jabatan Perkhidmatan Awam or Public Services Department
Ketuanan Melayu	Malay supremacy
KLSE	Kuala Lumpur Stock Exchange
LDC	Less Developed Country
MAJECA	Malaysian-Japan Economic Association Malaysian External
MAPHILINDO	Association of Malaysia, Philippines and Indonesia
MATRADE	Trade Development Corporation
MCA	Malaysian Chinese Association
MCCBCHS	Malaysian Consultative Council for Buddhism, Christianity, Hinduism and Sikhism
MCP	Malayan Communist Party
MEA	Ministry of External Affairs
MFA	Ministry of Foreign Affairs or Foreign Ministry
MIC	Malaysian Indian Congress
MIDA	Malaysian Industrial Development Authority
MIFC	Malaysia International Islamic Financial Centre Initiative

MIHAS	Malaysia International Halal Showcase
MISC	Malaysian International Shipping Corp
MTJA	Malaysia-Thailand Joint Authority
MILF	The Moro Islamic Liberation Front
MITI	Ministry of International Trade and Industry
MMC	Malaysian Mining Corporation
MNLF	Moro National Liberation Front
MSRC	Malaysian Strategic Research Centre
MTCP	Malaysian Technical Cooperation Programme
NAFTA	North American Free Trade Area
NAM	Non-aligned Movement
NDP	New Development Policy
NEP	New Economic Policy
NIC	Newly Industrialized Country
NIDL	New International Division of Labor
NIEO	New International Economic Order
NGO	Non-Governmental Organization
NOC	National Operations Council
NRPC	Association of Natural Rubber Producing countries
OAU	Organization of African Unity
OIC	Organization of The Islamic Conference
OPEC	Organization of Petroleum Exporting Countries
PAP	People's Action Party (Singapore)
PAS	Parti Islam SeMalaysia (Islamic Party of Malaysia)
PERNAS	Perbadanan Nasional or National Trading Corporation
Petronas	National Petroleum Corporation of Malaysia
PKFZ	Port Klang Free Zone
PKN	Parti KeADILan Nasional (National Justice Party)
PKMM	Parti Kebangsaan Melayu Malaya (National Party of Malays)
PKR	Parti Keadilan Rakyat (People's Justice Party)
PMIP	Pan-Malayan Islamic Party
PMO	Prime Minister's Department
POA	Points of Agreement (Malaysia-Singapore)
PPP	People's Progressive Party (Malaysia)
PRM	Parti Rakyat Malaysia (Peoples Party of Malaysia)
Proton	Perusahaan Otomobil Nasional or National Car Corporation

PSRM	Parti Sosialis Rakyat Malaysia (Socialist People's Party of Malaysia)
PULO	Patani United Liberation Organization
PUM	Persatuan Ulama Malaysia (Malaysian Ulama Association)
RELA	People's Volunteer Corps
ROO	Rules of Origin
SCCAN	Coordinating Committee of ASEAN Nations
SEAFET	Southeast Asia Friendship and Economic Treaty
SEANWFZ	Southeast Asian Nuclear Weapon Free Zone
SEARCCT	Southeast Asia Regional Centre for Counter-Terrorism
SEATO	Southeast Asian Treaty Organization
SME	Small and Medium Enterprise
SRV	Socialist Republic of Vietnam
Tabung Haji	Muslim Pilgrims' Fund
TERAS	Teras Pengupayaan Melayu (Malay National Force)
TWN	Third World Network
UEM	United Engineers Malaysia
UMNO	United Malays National Organization
UN	United Nations
UNESCO	UN Education, Scientific and Cultural Organization
UNCTAD	United Nations Conference on Trade and Development
UNTAC	United Nations Transitional Authority in Cambodia
UNTAG	United Nations Transition Assistance Group
UNHCR	United Nations High Commissioner for Refugees
UNPROFOR	United Nations Protection Force
UPU	Universal Postal Union
USIP	United States Institute of Peace
Wisma Putra	Malaysian Ministry of Foreign Affairs
WHO	World Health Organization
WMU	World Meteorological Union
WTO	World Trade Organization
ZOPFAN	Zone of Peace, Freedom and Neutrality