MALAYSIA’S FOREIGN POLICY IN THE AGE OF GLOBALISATION: THEORETICAL RELEVANCE AND PRACTICAL RESPONSES

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INTRODUCTION

An observation on Malaysia’s foreign policy will be shallow without proper theoretical deliberation on the subject. It is also a practice among policy makers to avoid the theoretical dimension by leaving it to academics. However, it must be reminded that theory cannot be developed in a vacuum. It is dependent upon practices in the policy-making arena. There is also a blatant negligence in most of the writings on Malaysian Foreign policy, when only few were successful to put it into proper theoretical context.

Therefore, it is the aim of this article to use foreign policy theories in assessing the Malaysian context. With the dawn of the globalisation epoch, it is indeed crucial to understand how and why Malaysia responds to its international surrounding in a particularly way. While one theory would not be sufficient, a few foreign policy theories are brought in to explain the dynamics in Malaysia’s foreign policy in the contemporary context. The practical dimension of foreign policy is also discussed briefly under several major themes such as ASEAN, the developing world, Look East, China, the Islamic world and dealings with the west. The thesis would be mainly on the struggle for national survival and the quest for an equitable global order.

FOREIGN POLICY THEORIES AND THE MALAYSIAN CONTEXT

It is not surprising to argue that theoretical writings in Malaysia’s foreign policy are rather limited. The development of theory in foreign
policy analysis in a developing country like Malaysia needs a much more
longer period to look at trends on the discourse. The change in elite
political leadership alone does not guarantee an objective premises for
foreign policy analysis, hence the development of cogent theories. Time
and history to a large extent dominate foreign policy theories in developing
countries, particularly in democracies of the developing world. This is so,
simply because, unlike in a developed society, discourses and the culture
of debate in foreign policy is still limited in the Malaysian context.

Therefore, in clarifying my position, it is not wrong to set a premise
that Malaysian foreign policy continues to remain within the domain of
the political elite. Leadership has for quite sometime since independence,
continued to chart and construct foreign policy based on the traditional
notion of national interest. And this myopic view of foreign policy analysis,
be it in realism or neo-realism, seems to be prevalent in developing
countries, including in the Malaysian case.

Malaysia, like most of the developing countries, as well as the developed
one like that of the United States, strongly believes in the rationalist
paradigm. Obviously, once again, the realist notion of maximising interests,
hence power as the leading spokesman of the developing world tends to
be revealed here, thus explaining the construction of Malaysia’s foreign
policy. However, an important question remains to be answered here,
which is contradicting the realist billiard ball model, particularly on why
Malaysia is against war and promotes peaceful resolution of conflict.
While such a foreign policy position appears utopian in nature propagated
by the idealist framework, it is indeed crucial to examine the real objectives
behind Malaysia’s foreign policy. In this context, one has to submit to the
reality whereby the promotion of peaceful conduct in international affairs
fits well with small states survival. This also goes very positively with
Malaysia’s strategic role in articulating its foreign policy predicaments
along the line of the developing world. Strategically, the promotion of
Malaysia’s interest overtly and out rightly, albeit confrontational with the
west occasionally, does not hurt the government severely simply because
the backdrop of problems raised by Kuala Lumpur in the international
arena works in tandem with the larger interest and predicaments of the
developing world. It is here that the smartness of policy makers warrants
praise.

In another dimension, Malaysia’s promotion of national interest very
often appears pragmatic because of its ability to balance the confrontational
attitude towards the west and its support for developing and Islamic
countries with neo-liberal ideals. Whether we like it or not, neoliberalism
is inherent in Malaysia’s foreign policy. This can be explained by Malaysia’s
submission to World Trade Organisation and the practice of open market
policy including merchantilism. Some may argue that Mahathir’s foreign
policy orientation is often confrontational towards globalisation and
capitalism, a position against neoliberalism. The truth is, Malaysia is still
among the top twenty trading nations which prefer an open global economy with some form of architecture that could mitigate the harmful effect of capital flow and the arms twisting tactics of some developed countries, especially the US and Australia.

Therefore, to explain the Malaysian foreign policy within the context of nationalism or more specifically, policy making as a national choice enterprise that resembles the billiard ball model of the realist tradition is not wrong indeed. The foreign policy of Malaysia is quite transparent for observation and analysis. Its strategic positions are simple and which fall within both a reactionary and visionary practice of foreign policy. The two decades of Mahathir’s era has become a clear testimony that attests to the role of a rational actor on both its foreign policy decisions and the international environment that it deals with.

Generally, the foreign policy theory of national choice assumes states or government as rational actors, which seek to maximise interest. Interests are explained in the form of power struggle. It also works on the pretexts that states are still a primary actor in the international scene. This is simply based on the premise where states as primary actors continue to maintain the legal right to use force when deemed fit. It has a clear territorial boundary, and permanent population subjected to a government that remains as a supreme authority. The exercise of sovereignty by government over its territory and subjects and the psychological identification of people to nation-state naturally enhance the power of the state in becoming a primary actor.¹

The rational choice theoretical model focuses purely on the goals of the officials representing the nation state. Their decisions and foreign policy orientation are explained by observing the values in their goals or policy objectives. In addition to that, the kinds of instruments officials use to pursue foreign policy objective are critical in understanding this theory in a simple manner. In sum, rationalism assumes if the goals of the decision makers are known, one could both predict decisions as well as understand why such decisions are made.² Basically the role of foreign policy is to ensure survival and preserve sovereignty.

Another vital aspect of the rational choice model is that normally policy makers and decision makers in foreign policy are seen as rational beings that behave rationally in their strategic calculation of international arena. Here rationality is basically defined as “purposeful, goal directed behavior exhibited when individuals respond to an international event or environment”.³ It is argued that policy makers will conduct extensive cost benefit analysis. The importance for rationalism in policy making involves problem recognition, goal selection, identification of all available policy options and finally the decision on choice.⁴
Whether Malaysia’s foreign policy decisions are made in a rigorous manner following the steps assigned above reflecting the rational choice theory can be questioned. Critics may argue that foreign policy has been always within the domain of elites. Nonetheless, room for discussion and selecting options so that foreign policy decisions are effective and move along with national interest cannot be dismissed in the Malaysian context. This can be verified when one conducts specific studies on how various agencies are involved in the process of fact finding that helps policy construction. While it is easy to pinpoint that political elites in Malaysia have a bigger say on foreign policy, it also needs careful observation on how they derive decisions that shape policy. While Prime Minister Mahathir’s active role in foreign policy is so glaring, there is a tendency among analysts to provide less emphasis on the kind strategic institutions that have emerged during his era. The role-played by key institutions in support of rationalism and policy choices have not been well articulated so far. It is also not in the interest of this paper to delve further on this.

To be more objective however, it is crucial to examine other foreign policy theories that may contribute in closing the lacuna created by the rationalist model. Realism that facilitates rationalism is not without pitfalls. As a theory, it may not be sufficient to explain the Malaysian context in a comprehensive way. Limitations in theoretical enterprise are also not a good excuse to halt the explorations in foreign policy theories. The utopian model could come in handy particularly in explaining why Malaysia participates and uses the United Nations and other intergovernmental organisations as crucial platform to promote interests. The idealist theory of international relations explains quite clearly that human nature is not all that bad and various mechanisms can be used to promote peaceful co-existence among the community of nations. Problems at systems level can be addressed by utilising many other instruments, not just to promote the interests of the state alone, but the global community at large.

In fact there are many other theoretical platforms and ideas for explaining Malaysia’s foreign policy. But to do so it is important to move out of the narrow international relations discipline. This perhaps can greatly help the theorisation of foreign policy. If one uses a multidisciplinary approach, explanations on policy decisions become even clearer. A combination of rationalism and political philosophy contributes strongly to some of the ethical questions surrounding foreign policy decisions. Here issues such as human rights, just war and other ethical dimensions of foreign policy can be explained as state assumes a greater role as a responsible actor.

The psychological approach has also contributed significantly towards foreign policy analysis. This is particularly useful as scholars deal with the question of perception, images and its impact on inter-relationship among states. Ideas relating to organisational framework and policy outcomes are also vital for explaining policy decisions. Theoretically, it is explained as the “bureaucratic politics” model. Basically, this set of theoretical ideas
look at rivalry within the decision making organisations and how it impinges on foreign policy. It is also argued that administrative departments have their vested interests and develop their own perspectives in deliberating policy. Apparently intra-bureaucratic conflict can become as problematic as inter-state conflict in articulating policy preferences.\(^7\)

As far as Malaysia’s foreign policy is concerned the “bureaucratic politics” theory may not be so accurate in explaining the situation and policy construction platform. In Malaysia, the government of the day deals with critical issues at parliamentary level. Once a particular policy is adopted, Ministry of Foreign Affairs, Ministry of Trade and others play a vital role in implementing policy. To say there is intense debate where departments are rivaling one another to push their foreign policy agenda can be a naive way of analysing the local situation. Secondly, it is quite clear that the executive branch, which includes the political elites basically, dominate policy proposal based on national predicaments. Here, it is also not wrong to say that the prime minister has been a "constant" among the variables determining foreign policy. Therefore to apply the bureaucratic politics theory on foreign policy division in the Malaysian context will be less accurate. Nonetheless its usefulness cannot be entirely disregarded.

As the debates on political and foreign policy theories enters the postmodernist turn, some important themes that were not on the earlier agenda of foreign policies analysis are now being explored in an intense manner. The rise of postmodernism explores various themes relating to the questions of identity, sovereignty and national survival. Along with postmodernism another important branch of theory has been gaining momentum. The rise of constructivism as an important dimension of international relations theory cannot be disregarded. For, the role played by constructivism in identity related dimensions of foreign policy warrants significant attention.

In fact, the explanation of identity related questions such as political culture; religion and other value-based component of state policy are crucial indeed. More so when Huntington’s theory of clash of civilisation seems to offer some explanation for foreign policy actions of states as we observe conflicts in recent history. The answer for a search in theories explaining identity and value based question of foreign policy behaviors of countries seems to lie at the heart of constructivism. In fact constructivism as a foreign policy theory has been explaining identity related issues.\(^8\)

While realism has failed in linking the domestic dimension of foreign policy, constructivism at least manage to explain deeper ideational and cultural related matters. Here we could see why Malaysia tends to lean towards the Islamic world. Similarly ideas behind Malaysia’s inclination towards supporting the developing world and the non-alignment movement (NAM) can also be explained. As an important theory of foreign policy, constructivism looks at the meaning of particular identity in which the
context of Malaysia's foreign policy can be examined. The rise of Islam as a leading component of foreign policy in recent years can be scrutinised using constructivism purely by observing why the formation of such identity is crucial to Malaysia in the global system of nation-states. In addition to that, constructivism also offers an explanation on the formation of national identity of Malaysia especially one that is based on nationalism.

In Europe, critics of constructivism have moved to another level of foreign policy theory. In trying to resolve the question of meaning in identity of state, nation and European integration, they have embarked on what is popularly known as discourse analysis as foreign policy theory. As the culture of debate on foreign policy is intensive in developed countries, discourse analysis theory of foreign policy does offer an in-depth idea of foreign policy construction. This theory focuses purely on discourses. Here it observes the structure of meaning and the logical arguments using open sources and public documents. Discourse analysis focuses heavily on discursive structures in the national political arena. It stretches on what people think on why they do what they do. By analysing the discursive structure one will be able to observe the way in which policy makers argue in order to promote a particular policy. The advantage about of discourse analysis as foreign policy theory is that it has managed to make a significant link between domestic politics and foreign policy analysis. This critical dimension has been neglected by the existing major traditional foreign policy theories.

Many existing theories of foreign policy making have failed to explain domestic discourses, the nature of domestic political contestations and their linkages to the outward orientation of policy formulation. What has appeared so far seems to be the national interest and survival of the state dimension arguments prevalent in traditional international relations and foreign policy theories. The discourse analysis theory of foreign policy has a significant role in development of recent decades of Malaysian foreign policy discourses. In particular, its strength in explaining the way in which Islam influences (in shaping) the foreign policy orientation is undeniable indeed. One interesting aspect that can be regarded as credible on the part of discourse analysis theory in the Malaysian context is that it can reveal the nature of Islamic discourses within Malaysia and its bearing on foreign policy. To be more precise, one such agenda can be identified through the debate on Islamic state.

The idea of an Islamic state has two characteristics. One is the moderate version, which is promoted by the mainstream establishment or the government of the day. The other tends to appear slightly radical which the opposition promotes. Here collision between two different identities is witnessed in the Islamic discourses within Malaysia. This political contestation eventually led the government of the day to be more aggressive in the promotion of the interests of the Islamic world in the international arena leaving no room for the capitalisation of opposition. Therefore, the
role of discourse analysis theory of foreign policy is becoming crucial in the Malaysian context. Perhaps it is not wrong to argue that the role of debate and discourses have dawned with the emergence of the 21st century. In the past, it has been democracy, human rights and the neoliberal economism. In future, Islamic discourses and its surrounding world will become a central theme of Malaysia’s foreign policy. Politically, it will be more important than the indispensable economic relations agenda with the rest of the world.

The last in the constellation of foreign policy theories, which can explain policy construction dynamics in Malaysia, is the polyheuristic theory. This particular theory of foreign policy is extremely useful in explaining the Malaysian situation. It is also slightly more comprehensive like the rational choice actor foreign policy theory. “The polyheuristic theory of foreign policy decision making incorporates the conditions surrounding foreign policy decision, as well as the cognitive processes associated with these surroundings”. The polyheuristic theory is derived from two disciplines. It combines political science and cognitive psychology. The political science dimension deals with the question of who wins and lose politically as a consequence of decision making. On the contrary cognitive psychology focus especially to the decision-making processes by observing on how decision makers selects and rejects option as a result of task complexities, time constraints, uncertainties, risks and other calculations. The theory assumes policy makers are knowledgeable in reasoning as regards to political and policy choice. To some extent it is similar to that of the rational choice actor.

What is interesting on the part of this theoretical model in the context of Malaysian foreign policy is indeed the political dimension of decision-making or the formulation of policy. In fact one of the fundamentals in this theory is that policy makers measures costs and benefits, risks and rewards, gains and losses and success and failures in terms of political ramifications. It is argued that politicians value gains and losses in political terms including the domestic consequences such as challenges to leadership and so on. While more can be dilated on this theory, it is not the interest of this article to do that. In fact, the purpose of this discussion is to purely highlight the strength of certain theories in assessing the Malaysian context.

As we observe the Mahathir administration’s foreign policy within the context of the political challenges that he confronted in the 80s and 90s, the relevance of the above discussed political dimension of the polyheuristic decision making theory of foreign policy will be extremely useful as an analytical tool. One could even go further to state that foreign policy has played a central role on the question of political legitimacy under Mahathir administration. On each occasion a brilliant idea had been placed on the trajectory of Mahathir’s foreign policy, it bears a fruitful seed in the domestic political scene, by enhancing political legitimacy for his leadership.
The Look East policy of the 80s and the capital and currency control after 1998 crisis are good testimony. These foreign political and economic policies have played vital role on the long survival of Mahathir leadership in highly volatile moments. The former in enhancing his leadership role at initial stages and the latter in consolidating position in the late 90s and for earning the credible international respect including in local political scene.

In a nutshell, this section has explored various theories of foreign policy. Its purpose is not to display theoretical jargons and to generalise the Malaysian foreign policy. But most important of all, its purpose is to harness the contending theories of foreign policy in explaining the Malaysian context, in this way; one could explore, explain, deconstruct and reconstruct Malaysia’s foreign policy from the epistemological point of view. Theoretical perspectives of realism, idealism, rationalism, neoliberalism, constructivism, discourse analysis, bureaucratic politics, and polyheuristic decision making seem to have an impact in one way or another in explaining the policy making process in Malaysia. In fact one or two foreign policy theories enable us to have a much broader picture of the foreign policy orientation. It explains why Malaysia looks at a particular region or lean towards a particular norm in its struggle for survival in a globalised social, economic and political environment. It is also an irony for a small country that is so much dependent on the west to take a rather confrontational approach on the global policy that serves the interest of the developed world. Similarly it is unique for Malaysia to speak so loudly for the Islamic cause and yet to maintain a moderate stand on Islam. These positions demands higher theoretical investigation especially in countering the myopic nature of the theoretical process in the west that tend to frame all developing societies in one basket for analytical purpose. Perhaps it is the right time now for discourses in policy analysis to examine the sophistication of foreign policy in advance developing country. How they survive globalisation can be in itself an important beginning of foreign policy inquiry.

THE CENTRALITY OF ASEAN AND THE DEVELOPING WORLD

ASEAN and the developing world played vital role in Malaysia’s foreign policy during the Cold War. As the major challenge is now on economic globalisation, both ASEAN and the rest of the developing world serve Malaysia’s foreign policy interests as a coalition-building platform. While they are viewed as important emerging markets, Malaysia looks at them as an organising platform for its policies and strategies. Basically, the purpose is to be a balancer.

Heavy reliance on the West for trade and investment has also been phased out in various ways so that Malaysia can look at the region with opportunity. Mahathir’s foreign policy towards ASEAN countries has been
lately tuned and conjured by the concept of “prosper-thy-neighbour”. Malaysia’s foreign and economic policies have been basically influenced by this mindset and strategies. Malaysia has also been regarded as a major player in ASEAN.

The fact that Philippines’ President Gloria Macapagal thanked Mahathir for his genuine effort in consolidating peace in Southern Philippines reflects pragmatism in Malaysian foreign policy towards ASEAN. Malaysia played host in ensuring the factions of MNLF and MILF Islamic separatists co-operate with the Philippines’ government in finding solution for their problems. Malaysia has also been investing in Southern Philippines in recent years. Bilateral relations with the Philippines are in good shape despite difficulties.

Another major achievement of Malaysia is in managing the long-standing dispute with Singapore over several issues such as water, immigration checkpoints, CLOB, central provident fund and so on. Mahathir proposed for a package deal so that all issues can be discussed and overcome. The visits of Lee Kuan Yew and the subsequent meetings, which follow suit, manage to mitigate all the main aspects of the disputes. What left now is only the details of the agreements that needed to be worked out so that a final agreement can be reached.

In the past, the United States used to be the number one trading partner. In recent years, ASEAN has replaced the US as Malaysia’s number one trading partner. In line with that, Malaysia has been more than willing to send delegations to Indonesia, Philippines and Indochina for enhancing investment and trade. Malaysia has also been active in complying towards the ASEAN Free Trade Area initiative. It is also searching ways to overcome the criticism thrown at Kuala Lumpur on the automotive sector and its non-compliance with AFTA rules. In sum, with globalisation being viewed as crucial for growth and development, Malaysia has over the years, enhanced its liberalisation policies at the regional level so that it is in line with GATT and now the WTO process. ASEAN is also an important platform in this direction.

The developing world, which includes ASEAN, Islamic and non-Islamic countries, has been central to Malaysia’s foreign policy. The fears of globalisation have been in some ways uniting the developing countries so that they could speak with one voice in facing its challenges. G-15, G-77, NAM, OIC and D-8 are now debating the issues relating to globalisation. Mahathir has become their leading advocate. Malaysia’s view is not just considered within ASEAN but also at the higher diplomatic circle of all organisations representing the developing countries. Malaysia is also viewed as a model for the developing world.

Thus, it is much easier for developing countries to cooperate along the prescribed Malaysian foreign policy agenda. More so, when most developing
countries view globalisation with defeat. Such fears include the view that
globalisation is irreversible, a new phenomenon and cannot be controlled
by developing countries. Fundamental among them is also the fear that
the divide between the rich and poorer countries will be growing even
greater.

Realising the need for survival and diversification in the global economy,
Malaysia focused on enhancing co-operation within the developing world.
Mahathir introduced the idea of Smart Partnership and Prosper-Thy-
Neighbour concepts so that others in the developing world can emulate
as well. In line with it, ideas behind networking, information sharing,
creation of economic database for the South and strategies for trading and
investments are being considered and practiced by various South-South
institutions.

Malaysia’s globalisation strategy along this development includes the
setting-up of several trade missions and facilities for boosting economic
cooperation with developing countries. Malaysia is also promoting similar
kind of initiatives for enhancing South-South cooperation through the
Langkawi International Dialogue, which promotes Smart Partnership.
Malaysia, on its own initiatives, has been moving into Latin America,
Africa, the Middle East, Central Asia and other remote regions for promoting
trade and investment.

Malaysia uses the above platforms to promote its national interests and
also in a positive way help developing countries to come together. In this
way, it believes that exchange of ideas; goods and services can be enhanced.
Most important of all, the various meetings will help countries to strategise
towards coping with globalisation and the challenges emanating from it.
Developing countries will also find new ways so that they will not always
succumb to ideas promoted by the IMF and other institutions controlled
by the West. While trade and investments could be encouraged with the
West, Malaysia feels there are different paths for development. Similarly,
Malaysia looks at the developing countries as an opportunity for trade and
investment. This is one way in which Malaysia practice diversification
and employ alternative strategies. Malaysia’s total trade with the South
countries in 1995 was recorded at RM$52.7 billion, an increase of 21.6
per cent from the 1994 figure of RM$43.3 billion.15

The above figures include both the ASEAN countries and the rest of
the developing economies. Where ASEAN is concerned, Singapore constitutes
bulk of the trade figure. The rest of the trade figure with the South
includes trade and investment in China, South Asia, Africa and Latin
America and in Middle East countries. On the whole, both ASEAN and
the rest of developing world serves Malaysia’s interest in coping with a
globalised economy, and as a platform for building coalition in challenging
the western or the developed world’s notion of globalisation. To date,
Malaysia has become a model for the least developed countries. Malaysia’s
large corporations are leading ways in enhancing South-South co-operation in the economic spheres. A great example of success in this dimension is the ability of Malaysian companies to monopolise sizeable infrastructure projects in India. Petronas, for example, has become a global player representing Malaysian version of MNC. Power plants, telecommunications, roads, railways, oil and tourism are areas in which Malaysian corporations are going global. In this way, Malaysia has in a way balanced its priorities and foreign policy goals. It also serves the goals of the developing countries.

FOREIGN POLICY TOWARDS THE ISLAMIC WORLD AND GLOBALISATION

Islam has not only been a central theme in Malaysia’s foreign policy but it has an important dimension to its domestic policies. Islam has become the official religion since the independent of Malaya. It had played a crucial role in the politics of Malay Archipelago even prior to the entry of colonial powers from the west. Therefore, to deny Islam a place in Malaysian politics and in its national policies will be unwise or ignorant of the demands of the major sections of its polities.

Having observed the national culture, it is a renowned fact that the present government has done more than enough to promote Islam both in the domestic and external environment. Internationally, Malaysia has been a qualified member of the Organisation of Islam Conference (OIC). It has contributed to that organisation by holding its highest office at one time during the previous leadership. The present leadership had contributed tremendously to an extent Mahathir has been given numerous awards by important Islamic countries like Saudi Arabia, Jordan and Lebanon. Recently, the highest Islamic organisation in United States has also recognised and presented him some sort of an award for his contribution to the global Islamic cause. Malaysia will be also chairing the OIC in October 2003.

During the Mahathir administration, over the last two decades or so, Malaysia has played key roles in promoting the Islamic cause in the international arena. Malaysia has been consistently vigilant, and provided the necessary support to the Palestinian cause. Yasser Arafat himself had visited Malaysia in1984 and in the mid 90’s realising the important role Kuala Lumpur plays at the international platform in fighting for the interests of the underprivileged and the oppressed Islamic societies.

In terms of role, Malaysia has been consistently condemning injustices that have been taking place in Bosnia, Kosovo and Palestine. Malaysia has also participated in peacekeeping operations in Somalia and Bosnia. Other minor assistance has also been given to these regions on the humanitarian ground. Malaysia has contributed US$12 million in assistance for the reconstruction of Bosnia. The Afghanistan and Iraq are also places where Malaysia provides massive humanitarian assistance. So far
more than RM30 million was provided by the government. Similarly, investments and economic assistance have been pledged for the Southern Philippines. Malaysia had also played a vital role in the negotiation process between Islamic factions from the Philippines.

In the case of the Palestinian issue, Kuala Lumpur has urged the United Nations to act on resolution 425 which stresses on the withdrawal of Israel from the piece of land in Southern Lebanon and the other occupied territories. Other UN resolutions requiring the Israeli withdrawal are often used by the Malaysian leaders in supporting the Palestinian cause. Malaysia has yet to recognise the Israeli state as a legitimate political entity in international arena. Until Israel fulfills the demands of the Palestinian people and the agreements in line with that, Malaysia will not change its foreign policy position. At present, Kuala Lumpur is among the few who have yet to allow its citizens to travel freely to Israel.

Malaysia's support to the Islamic world during the Mahathir administration has in fact increased in a major way for the reason of globalisation. It has increased and improved its bilateral ties with almost all Islamic countries. Like the non-Muslim developing world, the Arabs and other Islamic states look at Malaysia's economic prowess with great admiration. More so when the government could promote the global Islamic solidarity without jeopardising the interests of the non-Muslim communities residing in Malaysia. Malaysia has also looked beyond the Middle East in enhancing Islamic solidarity.

In line with the challenges of globalisation, Malaysia views the Islamic countries as an important platform for market. As a trading nation, Malaysia very often uses the same strategies of smart partnership in promoting its economic interests. What has become more crucial to note in the wake of globalisation is that, Malaysia's tone of promoting cautious steps especially in fulfilling the demands of the global market economy. Since the Asian financial crisis, Malaysia has been using the platform of OIC, Developing 8 and other Islamic meetings for highlighting the dangers of globalisation and the ways to cautiously handle them. Similarly, most Islamic countries are also members of organisations under the movements of developing world. These include the Non-Alignment Movement, G77 and G15.

On the whole, the Islamic world is seen as vital to Malaysia's foreign policy after its immediate ASEAN region. This is because; Malaysia has been able to position both the Islamic cause and the challenges of globalisation as two main common areas in promoting its relations with Islamic countries. On the contrary, Kuala Lumpur only deals with the challenges of globalisation as a major theme with the rest of the developing world. Islam is also
regarded as a way of life and presents an alternative front against the Americanisation, westernisation, or even secularisation. Islam is also seen as an alternative means to address cultural challenges posed by the West.

The debate on competing identity is indeed an important dimension of globalisation in normative terms. Different identities, values, languages and so on are competing for a place in a globalise world. Secularisation seems to be a dominating side at this moment and it has immense power to project itself globally along with democracy. The control of global capital will further enhance its position. However, it is difficult to assert that liberalism will conquer the rest of the world. With globalisation, small group of countries or communities will also have the opportunity to sustain or enhance their identity and position. This explains well the cause of Islamic revivalism, fundamentalism and sometime extremism. Similarly, the emergence of other cult groups is also being witnessed on the global stage.

Edward Said, a renowned scholar in Islam, has recently argued, “Islam and the west are inadequate as banners to follow blindly”. More so when “there isn’t a single Islam: there are Islams just as there are Americas”.9 This is an interesting perspective for analysis, particularly in understanding the debate on contestation for identity in an era globalisation.

Such challenges are already being faced by Malaysia in trying to moderate the different perspectives and groups that are advocating Islam. In fact in recent years, the debate on Islamic state seems to portray the contest for identity in national politics. The present government and leadership appear to promote the tolerance, liberal and moderate dimension of Islam in asserting the notion of Islamic state. It uses the constitution and Malaysia’s standing vis-à-vis other Islamic countries as tools to gauge the extent of Islamic state. Whereas, Parti Islam SeMalaysia (PAS) view the establishment has yet to become an Islamic state because there are many more unfinished agenda. The present leadership does not also accept PAS’s interpretation because almost all Islamic countries already recognise Malaysia as an Islamic state.

In this context, where foreign policy is concern, the Islamic world is so crucial for whomever in power to play the right role in meeting domestic demands. As for the present government, this is an important challenge that could be addressed by using the foreign policy front. It also goes well with Islam itself when politics cannot be separated from the religion. Therefore, Islam will remain as a major theme of Malaysia’s foreign policy, and globalisation will only enhance it further. In a globalise world the small and weak can become even move powerful depending on the agenda. The terror attacks demonstrate this argument.
MALAYSIA’S LOOK EAST POLICY AND A ROLE FOR CHINA

Visionary leadership is perhaps the most suitable way to explain Mahathir’s role in shaping the Malaysian economy in a heavily globalise world. Most important of all, in reengineering the foreign policy orientation which in the past had more tendency for depending on the west. His era witnessed major shifts both at the micro and macro level on national economic policy. Mahathir shouldered an economy that was subjugated by the strong influences of the international market. Stockpiles of Malaysian commodity in the international market had major repercussions then. Mahathir had both the political will and guts to free Malaysia from the clutch of foreign dominance. His policies were not aimed at isolating Malaysia from the global economy but on the contrary, opening-up the national economy further.

While he was expressing his dissatisfaction against the west, Malaysia was taken into a new era. In foreign policy terms, the Look East Policy was introduced. Initially, some kind of Buy British Last initiatives were prompted, however, Malaysia was pragmatic enough to ensure to flow with the West, so that it could enjoy the benefit of globalisation. But the most crucial strategic lessons Malaysia have learnt and introduced to the developing world is on how to balance the West with the East. Malaysia looks at Japan and South Korea not just for investment but also in terms of strategy. Therefore, Malaysia’s Look East Policy should also be viewed as a reactionary approach in tactically positioning Malaysia on the alternative paths. The path that can cope with the demands of globalisation by observing the way in which Japan and South Korea emerged. Japan at that time, was viewed as a successful economy without compromising its language and cultural values. This has been an important attraction for Mahathir.

Some analysts have argued that the Look East Policy was merely a reaction to address domestic scenarios confronting Mahathir’s leadership. As far as this analysis is concern, both the domestic and the external factors are both crucial in adopting such drastic policy measures. What appears striking is the alternative path that Malaysia advocated.

Indeed Mahathir was the first Asian leader to go against the West in proposing for an East Asian Economic Grouping. The failure of GATT and the emergence of various trading blocs in other part of the world prompted Mahathir to suggest the institution of EAEG, which ASEAN eventually adapted as the East Asian Economic Caucus (EAEC). While the idea of EAEC was supported by China, it didn’t materialise because Japan and South Korea were having some reservations. Nonetheless, EAEC materialised in a different form after the Asian financial crisis. EAEC’s main objectives
have now been attained in ASEAN + 3 whereby Japan, South Korea, China and ASEAN countries are having regular dialogue. They have been also working on strategies to overcome currency attack or other kind of financial crisis through swap arrangements. On the whole like the initial Look East foreign policy, EAEC or ASEAN + 3 aims at reducing the dominance of the West in setting globalisation policies that are predatory towards Asians and the interests of the developing world.

The Asian economic crisis has made the East Asian countries including Japan to realise that there is a strong need to work together. It is also crucial for ensuring some form of political and economic cooperation so that the interest of these countries is protected amidst globalisation. Realising such needs ASEAN had joined Japan, South Korea and China in organising dialogues with other regions in promoting the East Asian interests. One such major endeavor is the Asia-Europe Meeting (ASEM) where regional interests are discussed in addressing the challenges of globalisation. East Asia and Europe will surely discuss America’s role in globalisation.

Malaysia’s Look East Policy has become more relevant in recent years due to important developments taking place in the regional geopolitical environment. The Look East Policy should now be viewed in the context of an emerging East Asian economies largely comprising of China, Taiwan, Hong Kong, South Korea and Japan. While the earlier strategies in Malaysia’s foreign policy have been highlighting the success of South Korea and Japan that Kuala Lumpur should emulate, it is also timely to look at an emerging China. In fact, Malaysia was the first in the region to downplay the rhetoric of China threat. Mahathir through various speeches asserted that an emerging China as an opportunity and should not be nurtured into a threat. His assertions are right if one analyses China’s foreign policy and military initiatives carefully within the last decade or so. China has not been really threatening the security of smaller countries, except in the case of the Spratlys imbroglio.

For Malaysia, its trading relationship with China is on the increase. Kuala Lumpur has replaced Singapore as China largest trading partners in Southeast Asia. According to the Embassy in Kuala Lumpur, Malaysia trade with China expanded extensively within the last five year. It is also interesting to note that this increase occurred after the 1997 Asian financial crisis. In 1998, trade between the two countries was at US$4.2 billion. The total trade shot up to US$14.2 billion in the year 2002.

This drastic increase is basically influenced by many factors.

Chief among them is the cultural exchange and tourism promotion programme, which Malaysia embarked on to woo more visitors from China. The government also organised various trade missions. Visits among
the top leaders of both the countries have increased tremendously in the last decade. This trend has become a permanent feature of the bilateral relations. Leaders normally travel with a large entourage for promoting business. China’s entry into the World Trade Organisation (WTO) has also been playing an important role in increasing business ventures. Malaysia is currently the 16th largest foreign investor in China. Between 1984 and 2002 some 2383 Malaysian projects were approved. Its total capital value has been estimated at US$2.6 billion.\footnote{21}

The formation of ASEAN-China Free Trade Area will also enhance the economic relations between the two. Malaysia has so far increased all the necessary measures to improve bilateral relations with China. This is to enable the country to capitalise from a rapidly growing China. It is predicted that China will be the biggest economy of the world by mid-21st century. China’s role to shape the global economy and its destiny cannot be underestimated. In fact all western developed countries are already actively seeking business return there.

Aside from expanding the Look East Policy horizontally, Japan for example had expressed its desire to expand programmes under the Look East Policy. One of the main components of policy aside economic cooperation is in the field of education and training. In 1997, the Japanese Ambassador to Malaysia, Issei Nomura expressed the importance of expanding the education and training programme under the Look East Policy to include postgraduate studies. He also suggested the importance of setting up a consortium of Japanese universities in Kuala Lumpur.\footnote{22}

Aside from the cultural, scientific, educational and entrepreneurial aspects of cooperation, it is without doubt that the main focus of Look East Policy is to enhance economic cooperation. Most important of all, it is for increasing trade and investment. Japan has been Malaysia’s number two trading partner for more than a decade. It is also among the largest contributor of Foreign Direct Investment. Malaysia’s overall trade with the Northeast Asian region increased overwhelmingly during the last decade. For example, Malaysia’s total trade with the Northeast Asian economies recorded a growth of 28.3 per cent within a year to RM$52.2 billion in 1995 from RM$40.7 in the previous year.\footnote{23} Malaysia exports manufactured goods, machinery and transport equipment’s, food items, tobacco, crude oil, mineral, fuel, animal and vegetable fats, chemical and so on. Malaysia’s imports from that region are also almost similar in terms of quantity thus making the trade more vibrant and dynamic. Despite similarity, there are differences in terms of level of production. Malaysia’s major industries like that of the automobile can be regarded as the most successful joint venture under this Look East Policy metaphor.

The Look East approach therefore has been visionary and more so when one views it within the context of new East Asian regionalism. The adoption of China is an added advantage for Malaysia.
THE WEST IN MALAYSIA’S FOREIGN POLICY: ANTAGONISM VERSUS PRAGMATISM

Malaysia has no specifically pronounced policy towards the western world. However, there are events, issues and evidences of consistency in Malaysia’s policy towards the western countries, particularly the United States, Europe and Australia. These countries are ranked as among the leading trading partner in recent decade. Malaysia’s relations with these countries are composed by both cooperation and contentsions. The leaders before Mahathir looked at the West positively. On the contrary Malaysia’s foreign policy attitudes towards the western world changed significantly during the Mahathir administration. Occasional hiccups do make diplomatic relations sometimes difficult.

Most analysts would attribute it to Mahathir’s idiosyncratic factor. Whether we like it or not, where foreign policy is concerned, Mahathir is a ‘constant’ in shaping policies and creating the kind of climate which portrays Malaysia. While Mahathir appears confrontational, he has also inculcated pragmatism in foreign policy towards the western world. If one observes very carefully, most of the conflicting positions in Mahathir’s policy with the western countries are mainly due to two factors. The first is due to pressures of globalisation where issues are focused around the themes of political economy. Second, the differences in opinion emerge due to normative factors such as the Islam, Asian values or the developing world perspectives.

Mahathir expressed his displeasure with the West by directing a ‘Buy British Last’ initiative. He was also downgrading the Commonwealth Organisation from the foreign policy priority list mainly due to difference with United Kingdom. Mahathir was unhappy with Britain on issues relating to buying back of foreign companies by Malaysians and also the increase in overseas student fees. The tension with the West made Malaysia to look at other successful East Asian societies for guidance under the ‘Look East’ policy framework. The West was no longer seen as a model for success and advancement. However, the Buy British Last’ directions did not last long. By 1998, Malaysia’s discomfort with the West was mainly due to Mahathir’s perception that these countries, particularly Britain was not providing the right help for the developing world. On the contrary, there are tendencies for them to undermine the interests of the developing countries who are trying hard to come out of the systemic crisis.

Such perspective of the West is quite prevalent in addressing Malaysia’s own problem in facing challenges of the global economy. Mahathir pursues, more or less, similar ideas in all platforms and organisations promoting South-South cooperation. Mahathir and Malaysia’s perception in this light is also influenced by a position that derives from the conflicting experience coloured by colonialism. Thus, Malaysia, like many other developing
countries view the western agenda for globalisation with caution. In most instances, it is understandable if Malaysia views the western liberalisation agenda for globalisation with prejudice and as a neo-colonial project. More so, it was capitalism that brought the West to the East. Under neo-liberalism, it is market and capital that seems to push the western agenda towards the rest of the world.

The attacks on Asian currencies led by George Soros is another dimension in which, once again, reflects how Malaysia’s perspective of the West is being built. Currency attack has indeed served as a means of new-colonisation and western supremacy. The US and UK’s war in Iraq and also in Afghanistan projects western hegemony in global politics and security. In fact, during the immediate aftermath of the 1997 financial crisis, Malaysia’s idea on currency and capital control measures was not popular. But, in time both George Soros and the IMF felt that Malaysia is doing the right thing. If one reads all recent IMF and World Bank reports, the idea of controlled financial management and capital control has been accepted as an important norm. Malaysia is the only developing country, in the history of the global economic institutions, proved that their policies could be wrong.

Malaysia’s problem with the West can also be scrutinized by assessing the occasional problems in its bilateral relations with Australia. Australia has been Malaysia’s ‘punching bags’ for sometime. The western insistence on human rights, democracy and market economy can be analysed in some of the dispute between Malaysia and Australia. Malaysia, particularly, Dr Mahathir, has been abrupt and outright in exposing the weaknesses in the Australian society and its agenda in the region. It appears as if Australia’s interest in the region is more based on profit by moves declaring Canberra as part of Asia. Kuala Lumpur also feels the developing countries should not be pushed around by the developed world.

Malaysia has voiced out on the over-concern of the West on human rights, democracy and trade liberalisation. The present leadership has agreed that economic rights and development should come first before the developing world makes progress on democracy and liberalisation. This has been Malaysia’s position for some time. Similarly the government argues that the community rights should be placed above individual rights in debating the human rights agenda. Malaysia has voiced against the US and EU on attempts to link human rights and democracy with development assistance. In fact these are the major issues in which Malaysia often appears confrontational with West. Similarly, Malaysia is not in favour of attempts to link terrorism with Islam. While the above reflects Kuala Lumpur’s foreign policy attitudes towards the West, it did not halt Malaysia’s cooperation with the West. In term of cooperation, Malaysia realised the importance of being pragmatic in its policy. It has been pragmatic in practising a foreign policy that promotes national interests.
Another important aspect of contention with the West is the role of the United Nations. Malaysia has contributed positively in the United Nations. However, like many other developing countries, it feels that the United Nations needs to be restructured. Malaysia feels that the veto power must be abolished and the members of the Security Council must be increased to reflect the present reality of global politics. Similarly, it strongly supports the idea of enhancing the power of the United Nations General Assembly. In sum, Malaysia's relations with the West will be defined more by the challenges of globalisation in ensuring an equitable world order.

CONCLUSION

Observing the globalisation trends and its impact on Malaysia requires tremendous effort. Within the context of Malaysia's foreign policy, the following changes are being witnessed if we take a period of two decades. First of all, foreign policy priorities are more focused on trade and economic agendas. Military agendas are crucial but they no longer compose a sizeable portion of most foreign policy speeches. Today, environment, development, free trade and other socio-economic issues are gaining currency in both at the declaratory and action components of Malaysia's foreign policy. Security concepts of Malaysia are also interpreted broadly to comprise the human, political, social, economic, environmental and psychological dimensions. Theoretically, many approaches are required to explain Malaysia's position.

Recent decades indicate that Malaysia's foreign policy is pronounced more often in terms of the global socio-economic and political issues. Perhaps this could be a result of globalisation. As a trading nation and as an active member of the South, Malaysia finds its forte in promoting an equitable and peaceful world order. It is in this direction that Malaysia's foreign policy is currently positioned. New elements such as the influence of civil society remain premature in terms of active participation. If anything, they have been echoing what the state has already discovered. While many areas can be identified in explaining Malaysia's foreign policy, the role of Islam, ASEAN, the developing world and the West are crucial in understanding Malaysia's foreign policy within the context of globalisation. Their critical role is better understood when one takes a long approach in observation and in developing theoretical discourses.

NOTES

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6 Ibid., p.158
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9 See Ole Waver, Identity, Communities and Foreign Policy: Discourse Analysis As Foreign Policy Theory, in Lene Hanson and Ole Waver (eds), European Integration and National Identity, Routledge, London 2002, p.26.
10 Ibid., p.27-28
12 Ibid., p.338
13 Ibid., p.337
14 Ibid.
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16 For a detail account on Islam in Malaysia foreign policy, see Shanti Nair, Islam in Malaysia Foreign Policy, Routledge, London, 1997. See also Mohamed Abu Bakar, Islam in Malaysia Foreign Policy in Mohd Azhari Karim, I.D Howell & G. Okuda (eds), Malaysia Foreign Policy: issues And Perspectives, Kuala Lumpur: INTAN, 1990.
17 New Straits Times, 21 June, 1997
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19 The Sun, 23 September, 2001
20 The Star, 19 February, 2003
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