



CHAPTER 9

GLOBALIZATION AND NATIONAL IDENTITY: Managing Ethnicity and Cultural Pluralism in Malaysia

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Introduction

Globalization both homogenizes and fragments. On one hand, it allows nations and citizens of the world to share common events, values and knowledge, often instantaneously thanks to advances in telecommunications and information technology. Its proponents tout globalization as a vehicle for promoting certain universal goals of governance, economic cooperation and civil society. Ideally, globalization should be an arena for all kinds of flows and exchanges¹ in which the local is synergized with the global and vice versa. In reality, of course, globalization has also fragmented identities and rekindled ethnic divisions once dormant under the control of nation-states. Ernest Gellner, an influential theorist on the cultural dimension of nationhood, once argued that for a given society to persist, it must be one in which its people “can breathe and speak and produce...the same culture.”² But now “in the age of fragmentation of the world system,”³ notions of culture that were once constructed on the basis of the “national” must be reviewed. This new “crisis of identity”⁴ affecting both the center and periphery of the world system, reflects the tenuous conception of a bounded notion of culture and the idea of a homogenizing national identity—the “imagined” oneness of the nation-state “community”⁵ and its rather static, elitist and conflated conception of identity.⁶

In modern-nation states such as Malaysia, it is not the current globalization phase which has rekindled ethnic differences, nor for that matter, has it been responsible for the presence of cultural pluralism or multiculturalism in its midst. Indeed, multiculturalism and indigenous variants of cultural pluralism in the pre-capitalist civilization of the Malaysian region pre-dated the coming of western colonialism itself. The paradox is that it was the subsequent elaborations by colonialism upon this

¹ Ulf Hannerz, *Transnational Connections: Culture, People and Places*. London: Routledge, 1996.

² Ernest Gellner, *Nations and Nationalism*. Oxford: Blackwell, 1983, 38.

³ Jonathan Friedman, *Cultural Identity and Global Process*. London: Sage, 1994.

⁴ Friedman, 86.

⁵ Ben Anderson, *Imagined Communities: reflections on the Origins and Spread of Nationalism*. London: Verso, 1983.

⁶ Michael Herzfeld, *Cultural Intimacy: Social poetics in the nation-State*. New York: Routledge, 1997, 11.

“initial pluralism,” which gave rise to the ethnicism and competing ethnicities currently inherited by the modern Malaysian nation-state. The initial sections of this chapter will outline these historical legacies—first, the “initial pluralism,” then the creation of the classic “plural society”⁷ in Malaysia, followed by the emergent “cultural division of labor” of the colonial economy, its class bases and the ethnicizing features of its politics and civil society. We shall then proceed to examine the main economic, cultural and political thrusts of managing ethnicity and cultural pluralism in Malaysia—hence the question of “national identity.” In the final part of this essay, we shall review their development in the light of the current globalization process.

Historical Legacies: Initial “pluralism” and the Colonial Creation of “Plural Society” in Malaysia

Any intellectual discourse on post-colonial ethnicities and other related “national questions” of identity formation and management in the evolving Malaysian nation-state cannot be conducted without resorting to its historical base, which is rooted in its colonial history. Such a view is driven neither by a sense of nationalist fervor nor by a desire to blame colonialism for the current problems of globalization confronting the modernization of the post-colonial state. Indeed, if one were to extend the above discourse even further beyond colonial history, it would be revealing to note that cultural pluralism or multiculturalism, some of the trendy catchwords of today’s globalization, were already defining features of the pre-colonial formation of the region, even if these same buzzwords were missing from the local vocabulary then.

In 1998, the population of Malaysia was 22.2 million. Of that, 57.8 percent is comprised of those regarded as bumiputera (“sons and daughters of the soil”), or indigenous to the country. Most of these are Malays, at 49 percent of the total population. Non-Malay bumiputera, such as the Orang Asli, or indigenous “tribal” peoples, make up 8.8 percent of Malaysia’s people. Other groups include the Chinese (24.9 percent of the population) and Indians (7.0 percent). This ethnic mix has not fundamentally changed since Malaya, what is now known as Peninsular Malaysia or West Malaysia, obtained independence from Britain in 1957. One exception is the addition of “tribal” minorities from the Borneo provinces of Sabah and Sarawak, who were brought into the country when those regions were joined with Malaysia in 1963. Other additions include resident aliens, mainly Indonesian migrant workers, who represent a significant 7.2 percent of the population.⁸

The Initial “Pluralism”

The pre-colonial context of Malaysia was rooted in the maritime centers of the Malay Archipelago (often referred to as “the Malay World” or the “Malay-Indonesia World,”)⁹ and Southeast Asia, whose trading system linked Malaysia to other parts of

⁷ J. Furnivall, *Colonial Policy and Practice*. Cambridge: Cambridge University Press, 1948.

⁸ Cited in Abdul Rahman Embong, “The Culture and Practice of Pluralism in Postcolonial Malaysia,” in Robert W. Hefner, ed., *The Politics of Multiculturalism: Pluralism and Citizenship in Malaysia, Singapore and Indonesia*. Honolulu: University of Hawaii Press, 2001, 59.

⁹ Barbara Watson Andaya and Leonard Y. Andaya. *A History of Malaysia*, 2nd edition, Hampshire: Palgrave, 2001; Robert W. Hefner, “Introduction: Multiculturalism and Citizenship in Malaysia, Singapore and Indonesia,” in Hefner,

Asia. This provided an interactive multicultural base. Cultural pluralism, amongst both the indigenous and non-indigenous communities in the region, and accentuated by the layering of the great traditions of Hinduism and Islam on the region's initial animistic base (often referred to as "syncretism"), was both fluid and evolving.

According to Malaysian scholar-historian Wang Gungwu, "the tradition of coastal pluralism evolved in island Southeast Asia, including the various states that became Malaysia, from earliest times...The port towns were conspicuous examples of cultural pluralism in the traditional milieu and were open to new and alien influences."¹⁰ Wang emphasized how such pluralism was "an integral part of a local reality" which was adaptable in absorbing other layers of "pluralism" to come, even through colonialism. Hence "many Southeast Asian coastal and river line societies that became plural in character during the colonial period, or saw the degree of pluralism increase, did so with little social trauma or opposition. New plural elements were introduced quickly without great opposition. This reflected the nature and condition of native polities that expressed the inner social continuities in the gathering of human labor resources. The polities were predisposed by their geography and history to accept cultural pluralism..."¹¹ Anthony Reid, another international scholar-historian, notes that while most of the region's mercantile ports were Muslim principalities, "the Southeast Asian trading city was a pluralistic meeting-point of peoples from all over maritime Asia," attracting visitors ranging from "Arabs, Chinese (Muslim and non-Muslim), Indian Muslims and Hindus, tribal animists, some Christians, and even the occasional visiting delegation from Japan."¹²

Hefner, in his overview of the above, evokes notions of "flexible ethnicity" and "canopied pluralism," together with those of "cultural mobility and hybridity,"¹³ and while cautiously aware that "there were clear limits in this pattern of flexible ethnicity,"¹⁴ he nevertheless confirms that "for a comparative sociology of ethnicity and plurality, the 'permeable ethnicity' seen in the archipelago certainly ranks as one of the most distinctive features of Malayo-Indonesian tradition."¹⁵

Nor were these centers wanting in terms of local knowledge and ideals of what constituted just notions of governance and civil society. Of course, there were also modes of traditional exploitation and political tyranny, which characterized such "Asian feudalism" and its variants. Some of these traditional polities of governance had their own built-in checks and balances, though not necessarily always effective in ensuring "good governance."¹⁶

ed., *The Politics of Multiculturalism: Pluralism and Citizenship in Malaysia, Singapore and Indonesia*. Honolulu: University of Hawaii Press, 2001.

¹⁰ Wang Gungwu, "Continuities in Island Southeast Asia" in Jomo K.S, ed., *Reinventing Malaysia. Reflections on its past and Future*. Bangi: Penerbit Universiti Kebangsaan Malaysia, 2001, 24-25.

¹¹ Ibid.24.

¹² Cited in Hefner, 2001, 13.

¹³ Hefner, 2001, 12-19.

¹⁴ Ibid., 15.

¹⁵ Ibid.

¹⁶ See Yusoff Iskandar and Abdul Rahman Kaeh, *Sejarah Melayu. Satu Perbincangan Kritis dari Pelbagai Bidang*. Kuala Lumpur: Heinemann, 1985; Syed Hussein Alatas. "Religion and Modernisation in Malaysia," in Hans-Dieter Evers, ed., *Modernisation in Southeast Asia*. Kuala Lumpur: Oxford, 1973; Muhammad Yusoff Hashim, *The Malay Sultanate of Malacca*. Kuala Lumpur: Dewan Bahasa dan Pustaka, 1992; Andaya & Andaya, 2001.

In Malaysia, the Malaccan empire is normally touted as representing such an indigenous, cosmopolitan pre-colonial maritime center, which thrived on both pre-colonial hinterland and long-distance (global?) trading links and cultural pluralism, built upon its own system of local governance and traditional polity. Citing Ferdinand Braudel, Hefner suggests that there “was a pattern of economic ‘pluricentricism’ that, in its cultural diversity and mobility, resembled if anything the booming trade of the eastern Mediterranean in the early modern era. Even more than was the case in the eastern Mediterranean, this organization was conducive to interethnic collaboration and rich cultural exchange.”¹⁷ Hence, in its initial contact with the western world, mediated by merchant capital, Malaysia was already a part of a Malayo-Indonesian world very much contextualized by a synthesis between a maritime trading economic base, and its own defining variants of multiculturalism, blessed by a Malay/Islamic polity and its attendant notion of governance.¹⁸

In Malaysia, how the above “initial pluralism” of the pre-capitalist formation was further elaborated upon by British colonialism via its different phases (i.e. from merchant capitalism to formal colonialism, and ultimately the formation of the colonial state) certainly had far-reaching implications in terms of creating the type of “plural society” which has now become the subject of much scholarly writings since its initial conceptualization by Furnivall.¹⁹ It is also clear that the ongoing problems which confront the modern Malaysian nation-state in managing its competing ethnicities does not stem from the “initial pluralism” as such but rather from the subsequent colonial elaborations of the above. It is therefore crucial to examine in detail the outcome of these “colonial elaborations” in the Malaysian social formation.

The Political Economy of the Colonial “Plural Society” in Malaysia: Ethnicizing Capitalism

What constitutes the political economy of the new “plural society” created by colonialism? According to Wang Gungwu:

By the time the Europeans were ready to expand in the 19th century in search of markets and raw materials and to introduce new administrative structures to help them get what they wanted, *they had molded the pluralist heritage of the region to a shape that suited their needs. It was no longer an amorphous open pluralism, but one that recognized priorities (for example, entrepreneurial and technical over farming skills) and emphasizes new hierarchies that could be systematically manipulated (for example, religious and ethnic differences, new status and wealth differences, and ultimately class differences)...The earlier form of cultural pluralism was now placed in a new cultural framework—a modern secular culture based on control, efficiency, profitability, and accountability and*

¹⁷ Hefner, 2001, 15.

¹⁸ For an excellent detailed analysis and elaboration, see Mohammad Yusoff Hashim 1992.

¹⁹ Furnivall, 1948; For the Malaysian analysis, see: N. Freedman, “The Growth of Plural Society in Malaya,” *Pacific Affairs*. No.33; C. Enloe, *Multi-ethnic Politics in Malaysia*. PhD Thesis. University of California, Berkeley, 1967; J. Lent, ed., *Cultural Pluralism in Malaysia*. Special report No.14. Center for Southeast Asian Studies, Northern Illinois University, 1977; C. Nagata, *Pluralism in Malaysia: Myth and Reality*. Contribution to Asian Studies. 7. Leiden: E. J Brill, 1975; R. J. Vasil, *Politics in a Plural Society*. Kuala Lumpur: Oxford University Press, 1961.

laid the foundations for the region to respond actively to the open world economy of the 20th century.²⁰ (emphasis mine)

The accentuation of ethnicity in the new “plural society” over and above “class” (or “class consciousness”) often hides the fact that the political economy of such a society is still capitalism, albeit a “peripheral capitalism” created externally rather than a “central capitalism” which grew out of the internally generated dynamics of the “original transition”²¹ from western feudalism to capitalism. It is a paradox that the legacy of the “plural society” left by colonialism for the new nation-state is that it has to deal with the political economy of a capitalist system but inherits problems that are predominantly expressed in ethnic political terms.

Stuart Hall makes an important clarification on the relationship between such ethnicism (or racism) and capitalism:

“Racism” [in our case, ethnicism] is not dealt with as a general feature of human societies, but with specific racisms...One must start from the concrete historical “work” which racism accomplishes under specific historical conditions—as a set of economic, political and ideological practices, or a distinctive kind, articulated with other practices in a social formation...(It) is not present in the same form or degree, in all capitalist formations: It is not necessary to the concrete functioning of all capitalisms. One needs to know how different racial and ethnic groups were inserted historically as active structuring principles of the present organization of society...Racial categories alone will not provide or explain these. What are the different forms and relations in which these racial fractions were combined under capital? Do they stand in significantly different relations to capital?... How has race functioned to preserve and develop these articulations?²²

Based on the above guidelines, the following discussion will attempt to explore how ethnicity became “inserted historically” into the Malaysian social formation through its specific colonial experience.

The “Cultural Division of Labor” of the Colonial “Plural Society”

Building upon the above premise of “historical specificity,” it is useful to reconceptualize the Malaysian “plural society” as a particular variant of peripheral capitalist formation whose creation can only be adequately theorized in relation to the “world-historical” expansion of capitalism into the periphery. Saul points to:

²⁰ Wang Gungwu, 2001,26 (emphasis added by author).

²¹ I. Roxborough, *Theories of Underdevelopment*. Macmillan: London, 1979.

²² Stuart Hall, “Race, Articulation and Societies Structured in Dominance,” *Sociological Theories, race and Colonialism*. Paris: UNESCO, 1980, 336-338. Emphasis added by author.

...a somewhat simultaneity of contradictions as illuminating the ideological terrain created by the uneven development of capitalism: there will be room both for “interpellations” attendant upon the class contradictions inherent in the reality of capitalism...and for “interpellations” attendant upon the “center-periphery” contradictions...an ethnic-interpellation is at least as likely as a ‘new nation’ interpellation...for ethnicity can often draw much more proximate and recognizable ingredients—language, symbols, ties of kin both real and imagined—in defining itself and recruiting subjects.²³

Though agreeing with Saul, it is also argued here that the specific historical way in which capitalism is mediated into each peripheral formation will generate conditions more conducive to a certain “kind” of “interpellation.” Consequently, the dominant “ethnic interpellation,” which is the hallmark of the plural society, stems from the logic of capital itself under the specific conditions of its expansion into Malaysia. This does not necessarily imply that there is an inherent logical connection between ethnicity and the imperatives of capital. Ethnicity assumes importance because of its coincidence with the factors, which are deemed crucial for capital in a given instance, though not through conscious design or intention.

Similar to other colonial expansions, the extension of formal British political control into Malaysia (then Malaya or what is now Peninsular Malaysia/West Malaysia) in the 19th century was spurred by its need to consolidate the raw materials (initially tin, and later rubber), required for industrial capitalism at home. The state (i.e. the colonial state) at this time became purely an instrument of colonial capitalism.

One of its initial strategies was to “conserve” the position of the Malay traditional ruling class in their prerogatives over matters of religion (agama) and custom (adat) pertaining to their subject class (rakyat), the Malays, who were the indigenous peasantry. Such a strategy, as it turned out, worked well for capital: it divorced the traditional ruling class from the economic affairs of the modern colonial system by dismantling their “feudal” rights of surplus appropriation over the subject class (ranging from corvee labor, or *kerah*, to different kinds of tributes or tax (*uhti*). More importantly, it ensured a veneer of Malay sovereignty (the concept of Malay *daulat*), however symbolic, to appeal to the homo hierarchicus structure of Malay culture or to appease any potential discontentment arising from the peasantry. Indeed, the British learned a bitter lesson when they decided to ignore this ethnic Malay-feudal bond in the Malayan Union proposal of 1946, on the eve of Malayan independence.

For its labor requirements, capital, through the agency of the colonial state, was not forced to pry loose the indigenous peasantry from the rural land-based and subsistence sector but this by no means meant that the latter was insulated from the vagaries of capitalist penetration in other forms.²⁴ Both British economic and

²³ John Saul, “The Dialectic of Class and Tribe,” *Race and Class*, 1(4), 1979, 356.

²⁴ See Zawawi Ibrahim, “Perspectives on capitalist penetration and the reconstitution of the Malay Peasantry,” *Jurnal Ekonomi Malaysia*, 5, June 1982; K. S. Jomo, *A Question of Class, capital, the State and Uneven development in Malaysia*. Singapore: Oxford University Press, 1986; R. Bach, “Historical Patterns of Capitalist Penetration in Malaysia,” *Journal*

educational policies were oriented towards “conserving” the Malay peasantry in the subsistence agrarian base, first, as producers of staple food for labor and capitalist reproduction in the capitalist sector of the colonial formation (tin mines and rubber plantations), and secondly, as colonial subjects provided with only a rudimentary education system, specifically oriented towards making them “good peasants”. Meanwhile, those from the Malay aristocratic class were given a privileged English education, which later on qualified them for direct recruitment into the junior ranks of the colonial civil service.²⁵ In the process, colonialism condemned the Malay peasantry, who were the majority of the Malay masses, to a marginal position of economic and educational backwardness—a situation, which for a long time contributed to the “ethnicization” of the poverty question and discourse in post-colonial Malaysia.

The strategy not to dislocate the Malay peasantry for its labor needs in the capitalist sector was by no means due to the benevolence of capital as such. In the tin mines, there was already a pool of immigrant Chinese labor organized and exploited by their own entrepreneurial countrymen from whom the British gradually wrested control. On the other hand, the relatively easy access to and control of Indian immigrant labor from British India also supported the basic “logic of Plantation production.”²⁶

Such a situation, as has been argued elsewhere²⁷ was doubly advantageous for capital, for the colonial state could still make peasants “work for capital” in other ways (i.e. as unwaged labor), without having to incur the cost and burden of directly organizing peasant production. This was through the peasants’ role as food crop producers (indeed, the colonial effort to improve native agriculture in Malaysia was only “in a way of half-hearted, disjointed, and niggardly measures rather than a concerted program”²⁸) and as “efficient, low-cost producers” in rubber smallholdings (which the Malay peasants had to independently resort to as a “rational” strategy to earn cash required for their household social reproduction in the colonial economy), or as a source of cheap and convenient seasonal labor on the plantations.²⁹ As summarized by economic historian Lim Teck Ghee:

It was not that British economic policy towards the different races in Malaya...herded Chinese and Indians to work in mines and plantations and compelled Malays to work in rice fields. That might have been possible in another day or age as happened with African labor in the Caribbean and America, in the late eighteenth century. In the more enlightened and laissez-faire Victorian society from

of Contemporary Asia, 6(4), 1976; Lim Teck Ghee, *Origins of a Colonial Economy*. Penang: Universiti Sains Malaysia, 1976; Lim Teck Ghee, *Peasants and Their Agricultural Economy in Colonial Malaya 1971-1941*. Kuala Lumpur: Oxford University Press, 1977.

²⁵ William Roff, *The Origins of Malay Nationalism*. Kuala Lumpur: Oxford, 1967.

²⁶ Bach, 1976: 470-71.

²⁷ See Bernstein, 1976; Zawawi, 1982.

²⁸ Lim Teck Ghee, 1976, 141.

²⁹ See Zawawi, 1982; Zawawi, *The Malay Labourer: By the Window of Capitalism*. Singapore: Institute of Southeast Asian Studies, 1998.

where the colonial officials come, crude policies seeking to impose an ethnic division of labor would have been morally and politically difficult to sustain. But putting together the different parts of British policy and practice towards the various races in Malaya, it is difficult to avoid the conclusions that the British knew that some sort of rough division of labor amongst the races was being structured under their rule and that various policies they pursued reinforced or helped set up tendencies towards racial separation, whatever good intentions lay behind them.³⁰

Thus out of the historical specificity of the colonial process in Malaysia emerges a structural feature, “the cultural division of labor,”³¹ which is essentially an articulation between ethnicity and the economic division of labor in the colonial order. But fundamental to the whole process is not so much the logic between capital and ethnicity, but rather between capital itself under the specific conditions of the Malaysian colonial experience. What is also important to note is that a logical development of this historically evolved form of social relations between capital and labor (both waged and unwaged) is that at the level of production relations of the colonial economy, both in the peasant and capitalist sectors, labor becomes segmented along ethnic lines. As Lim Mah Hui concludes:

In the peasant agricultural sector, there is an obvious absence of a non-Malay peasantry and rentier class. Therefore, class relations could only develop within the Malay community, i.e. between Malay peasants and Malay landlords. Concomitantly in the capitalist sector, there is no Malay capitalist or labor class of any significance.³²

What it also means is that because of the structural isolation between non-Malay wage labor in the capitalist sector and Malay unwaged labor in the peasant sector, no substantial basis of class unity could develop across ethnic lines at the level of production relations. But under these specific conditions of capitalist domination, it would perhaps be wrong to see capital as consciously seeking to pit one ethnic community against another. For what capital requires is not so much “the actual conflict between ethnic groups, but their inability to unite across class lines.”³³

The Class Bases of the “Plural Society”

Thus one of the historical conditions established by colonialism in Malaysia is a situation that prevents the unity of labor or class across ethnic lines. But in capital’s confrontation with both fractions of labor (i.e. wage and unwaged labor/or non-

³⁰ Lim Teck Ghee, 1984: 63-64.

³¹ M. Hechter, “Group Formation and the Cultural Division of Labor,” *American Journal of Sociology*, 84(2), 1980.

³² Lim Mah Hui, “Ethnic and class relations in Malaysia,” *Journal of Contemporary Asia*, 10(1-2), 144.

³³ *Ibid.*

Malay working class labor and Malay peasant producers) under the aegis of the colonial state, the logic of its class basis is never in doubt.

Under colonial rule in Malaysia, the introduction of the Torrens system of land registration promoted the idea of private ownership, rather than the traditional notion of cultivation as a condition for control, with radical implications for peasant relations to their means of production. In addition, since land now belonged to the state, the alienation of land also came to be governed by colonial policies, which favored capitalist interests. The “liberal” land policies not only made better land available and accessible legally to this particular class, but also encroached upon aspects of the traditional agricultural practices well adapted to the pre-colonial land system, i.e. shifting agriculture.³⁴ The asymmetrical relations between capital and peasant labor, and the articulation of this relationship through colonial state practices was manifested in other forms—its revenue system (low quit rents on land alienated to capital), its “system of dual agricultural taxation,”³⁵ and the predominant bias of colonial expenditures (such as infrastructure and agricultural development) to serve capital, rather than peasant interests.

The 1910 rubber boom demonstrated to the Malay peasantry the viability of smallholding rubber as a new source of cash income, since padi (rice) growing did not generate much surplus for sale.³⁶ The subsequent massive surge toward rubber cultivation by the peasantry, however, led to their collision with the class interest of plantation capital “since it meant higher land prices and competition with low cost producers.”³⁷ Then when rubber restrictions came down as a result of depressed prices, it was the peasant rather than the plantations, which “bore the main, if not the entire brunt” of the 1922 Stevenson Restriction Scheme and the 1934 International Rubber Regulation Scheme imposed by the colonial state.³⁸ The policies of new rubber planting and replanting which followed also generated a similar bias to capital or the wealthier peasants rather than the majority of the rural producers.³⁹ The struggle between capital and labor at this level of the colonial formation was essentially a class one, but it did not see the participation of non-Malay wage labor, who were isolated as proletarians and involved in their own “class contention” in the capitalist sector.

In the capitalist mode, the class struggle between non-Malay labor and colonial capital was more intense. Their “radicalization...was facilitated partly by oppressive labor conditions, and partly by anti-colonialist labor movements in countries from which the immigrants had come.”⁴⁰ With the relatively isolated conditions of the plantation, the Indians were slower in organizing themselves as compared to the Chinese, although once unionized, they “were among the most militant of the

³⁴ K.S. Jomo, “Class Formation in Malaya: Capital, the State and Uneven Development,” unpublished PhD dissertation, Harvard University, Massachusetts, 1977.

³⁵ Lim Teck Ghee, 1976, 129.

³⁶ J. H. Drabble, *Rubber in Malaysia 1876-1922*. K. Lumpur: Oxford University Press, 1973, 72-73.

³⁷ Mohammad Ikmal Said, “The Dialectics of Ethnic and Class Conflicts: Some Illustrations from the Malaysia Case,” paper presented at UNITAR Conference, New Delhi. 11-17 March 1980.

³⁸ Jomo, 1977, 136.

³⁹ Lim Teck Ghee, 1977.

⁴⁰ Hua Wu Yin, *Class and communalism in Malaysia*. London: Zed Books, 1983, 49.

Malayan proletariat.”⁴¹ The colonial state, in its effort to intervene in the interest of British mining capital, took measures to weaken the control of Chinese capital over Chinese labor. The declining need for extra-economic forms of labor control in no small way contributed to the earlier growth of “free labor” amongst the Chinese. And “the loosening of the ties of the Chinese working class with the Chinese capitalists eventually became reflected in exclusively labor organizations, which increasingly expressed themselves in working-class militancy and political radicalism.”⁴²

After the 1930s, the British abandoned all forms of “extra-economic” coercion of labor, and though they turned to other means of disciplining Indian labor, free wage labor spread on the plantation. The 1930s Depression also marked a turning point for the non-Malay working class who began to regard Malaysia as their home, reinforced by the fact that the British had already begun to legislate against free immigration by that time. When tin and rubber recovered from the Depression and prices rose again, the rising cost of living brought out labor unrest and agitation. It was largely to counteract the growing influence of more militant labor leaders that the colonial government finally had to legislate to allow union registration in the 1930s.

It was at this point that the Communist Party of Malaya (MCP) was formed and “began to lead and organize the workers’ struggle.”⁴³ The Malayan General Labor Union (GLU), formed in 1934, became one of the most important united front organizations, which began to provide strong organizational alliances between the non-Malay working class coordinated by the MCP. After the Second World War, about 90 percent of all organized workers in Malaya were said to have belonged to GLU, which was not only sympathetic to communism, but also generally militant in nature.

Finally, to counteract the intense class struggle and non-Malay labor solidarity, the colonial state began to introduce various restrictive measures, which eventually succeeded in breaking up and de-registering the politically left-oriented union movement in the early post-war period. Indeed, even by 1940, the colonial government had banned all strikes, and many GLU cadres left for the jungle to join hands with the banned MCP to wage a guerilla war, which lasted until 1960.⁴⁴ During the emergency, the colonial government, under the tutelage of a Trade Union Advisor for Malaya (TUAM), “proceeded to reconstruct a more compliant and docile trade union movement.”⁴⁵

On another front, colonial capitalism did not totally do away with the role of local elites and domestic economic classes so long as they remained subordinate to, and as compradors of foreign capital. Thus the western-educated Malay elites were also given a place as junior administrators in the colonial bureaucracy.⁴⁶ The role of Chinese

⁴¹ Ibid.

⁴² Jomo, 1986, 176.

⁴³ Hua Wu Yin, 1983, 67.

⁴⁴ Ali Raza, “Legislative and public Policy Development in Malaysia’s Industrial relations,” *Journal of Developing Areas*, 3, 1969.

⁴⁵ M. Rudner, “Malaysian Labour in Transition: Labour Policy and Trade Unions 1955-1963,” *Modern Asian Studies*, 7(1), 1973, 21.

⁴⁶ Roff, 1967.

capital, dominant earlier in tin production, was soon subordinated to British capital.⁴⁷ At both the political and economic levels of the plural society, the role of the Malay elites and Chinese merchant capital was essential for the reproduction of the colonial political economy, and indirectly, of capital at the center.

Ethnicizing Politics and Civil Society in the “Plural Society”

While historically there was little scope at the level of production relations for any significant class-based interaction and solidarity between Malay peasants and immigrant wage labor, at the level of exchange relations (i.e. the market), the interaction between Malays and non-Malays was instead an ethnic encounter between the peasantry and Chinese merchant capital. Here the indigenous peasantry (already neglected and insulated from the mainstream of development under colonial rule) was confronted by the relatively dominant position of those Chinese who had entrenched themselves, and were allowed to flourish in this circuit of capital as businessmen, traders, middlemen and shopkeepers.

It is here that Furnivall’s earlier analysis hits home, for it is in the domain of the “market place/relations” of the “plural society” where the social actors “meet,” that the economic inequalities appear to be based on ethnicity and are visible and emphasized as such in the daily life of the Malay peasantry. As Lim Mah Hui notes:

The Malay peasant producers come into contact with the non-Malay traders either as producers or consumers. At both levels, he (sic) is a price taker and exploited by traders who probably charge more for the consumer goods and intermediate inputs required and pay less for the agricultural products offered.⁴⁸

A historian, the late J. M. Gullick made a similar observation:

The Malay peasant feels a tie of common interest with the upper class of his own community, rather than say with the Chinese vegetable gardener. The latter in turn feels that he has more in common with the Chinese dealer who buys his produce, despite the conflict of economic interest, than the Malay peasant or Indian plantation worker. There is yet no sense of peasant and working-class solidarity.⁴⁹

Indeed the extension of the above ethnic “interpellation” into the politics and civil society of the plural society is a logical progression from the initial conditions laid down by colonialism. In this context, the “plural society,” is not simply the creation of capitalism, but is a “hybrid” variant of peripheral capitalism in which, as a result of a specific type of articulation of modes of production with ethnicity, has been

⁴⁷ Jomo, 1986, chapter 7.

⁴⁸ Lim Mah Hui, 1980, 143.

⁴⁹ J. M. Gullick, *Malaya*. London: Ernest Benn, 1963, 228.

embedded the “conservation-dissolution” effects of a particular kind in its social formation.

The subsequent development of ethnicism into Malaysian political life and everyday subjectivities assumed a predictable pattern. The politics of Malay nationalism and decolonization found expression in strong ethnic terms, articulating the economic plight of the Malays (and its predominantly peasant-based community) as “the sons of the soil” (*bumiputera*) against the more economically dominant position of the immigrant communities, especially the Chinese.

Three Malay ethnic streams of nationalism came to the fore—the most prominent being those led by the English-educated elites (schooled in the exclusive “Eaton of the East,” the Malay College Kuala Kangsar, or MCKK) with close links to the traditional Malay ruling class. They formed voluntary organizations known as Malay Associations in the various parts of the country, and these were the forerunners of the dominant Malay ruling party, UMNO (United Malays National Organization) still in power today. UMNO embodied the interests of the Malay “administrators,” a narrow brand of Malay nationalism which was, however, successful in rallying Malay support as a champion and protector of Malay rights. However, “its political ascendance within the Malay community as a whole only occurred in the context of the severe repression by the colonial state of the emerging radical Malay nationalist movement.”⁵⁰

But a little less than two decades before independence, there did emerge a “class-based” Malay challenge against the British-supported elites. These dissidents comprised of the Malay-educated intelligentsia, the KMM (*Kesatuan Melayu Muda*), drawn mainly from the peasantry (educated in the Malay vernacular of SITC or Sultan Idris Training College) and strongly influenced by the left wing of the Indonesian nationalist movement. They wanted to throw off the yoke of colonial rule through a union with Indonesia in a greater pan-Malaysianism (*Malaysia Raya*). This radical Malay intelligentsia was against the alliance forged between the British and the traditional rulers, mediated by the English-educated elites. As a result they came under cautious surveillance by the British and were also distrusted and feared by the Malays who found their views too radical.⁵¹ It was obvious that they had misjudged the “ideological domination”⁵² of the traditional ethnic and feudal rulers over the peasantry, especially their symbolic and protector role, as perceived by the Malay masses. Thus the “class contention” articulated by the Malay intelligentsia suffered from the same fate as the “class struggle” shown by labor against colonial capitalism and the colonial state. In 1945, this particular stream of Malay nationalism organized itself into a political party, the MNP (Malay Nationalist Party), with a radical youth wing, the API (*Angkatan Pemuda Insaf*), whose members later formed the Socialist Party after the British banned the MNP and API.

The religious stream of Malay nationalism was expressed by the Hizbul Muslimin party, the forerunner of today’s Islamic party, the Parti Islam Se-Malaysia, or PAS.

⁵⁰ T. Salem, “Capitalist development and the Formation of Bureaucratic Bourgeoisie in Peninsular Malaysia,” *Kajian Malaysia*, 1(2), 1983, 87.

⁵¹ Roff, 1967, 255.

⁵² Hua Wu Yin, 1983, 63.

Hizbul Muslimin, which cooperated with the MNP, consisted of religious radicals espousing a reformist Islam that aimed to correct the economically backward situation of Malays, “to demand independence and self-determination to protect the dignity of the Malays (culture) and their identity based on Islam, and to prevent their economy from being dominated by immigrant communities”⁵³. The ultimate goal was to mobilize the Malay peasantry to create “an independent Malay nation, the building of an Islamic society and the realization of a Darul Islam, an Islamic state.”⁵⁴

Though divided, the groups were brought together in a temporary united front against the postwar “Malayan Union” proposal by the colonial government of 1946, which sought to reduce the political status of “feudal” rulers and open up citizenship rights to immigrant groups, brought a temporary united front amongst the above groups. Spearheaded by the western-educated elites, it was also at this time that 41 Malay associations from all over the country united themselves to form UMNO to assert the notion of Malay dominance (*ketuanan Melayu*). After negotiation and what later became known as the Federation of Malaya Agreement of 1948, the British reaffirmed the rights of the Malay rulers and “the special position of the Malays” in return for the protection of the “legitimate interests of other communities” and the liberal granting of federal citizenship to immigrant communities based on birth and residential requirements.⁵⁵ The whole process culminated in the granting of independence in 1957, but not before the British decided that UMNO was the more “moderate” representative of the Malay community in the new polity. The radical leaders of MNP and Hizbul Muslimin took an antagonistic course, as they did not want to compromise on the Malay position. Their movements were either suppressed or banned, and their leaders arrested, but they laid down the ideological bases of Malay opposition to UMNO in the postcolonial state. In the first General Election held in 1955, UMNO and two other ethnic parties, the MCA (Malayan Chinese Association) and the MIC (Malayan Indian Congress) combined under a political coalition—the Alliance (*Parti Perikatan*, the forerunner to the current ruling coalition, the *Barisan Nasional* or National Front)—to win and become the government of the day.

It should be noted that both the MCA and the MIC rested on narrow class bases. The former, from the various sectors of the Chinese community, was formed as a way of “countering the left-wing sympathies prevalent within the Chinese community,”⁵⁶ whilst the latter “represented a variety of small capitalist and professional interests,” hardly drawing “any support from the bulk of the (Indian) community, engaged in plantation labor.”⁵⁷ Under this compromise, which was enshrined in the 1957 Constitutional Bargain (which re-affirmed the terms of the Federation of Malaya Agreement), UMNO recognized Chinese and other immigrants’ “legitimate interests (economic rights), their rights to citizenship...and residence as well as their...freedom

⁵³ Halim Salleh, “Globalisation and the Challenge to Malay Nationalism on the Essence of Malaysian Nationalism,” in Leo Suryadinata, ed., *Nationalism and Globalisation, East and West*. Singapore: ISEAS, 2000, 135.

⁵⁴ Cited in Halim, *ibid*.

⁵⁵ Cited in Halim, 135.

⁵⁶ Salem, 1983, 88.

⁵⁷ *Ibid*.

to preserve, practice and propagate their religion, culture and language.”⁵⁸ In the above “exchange,” “(t)he latter consented” to the Malays retaining their major symbols of their nation, that is, their sultans, their special position, their language (as the official language), and their religion (Islam as the religion). Special rights were therefore implanted in the Constitution (Article 153) to safeguard the special position of the Malays, or those who [based on Article 160(2) of the Federal Constitution] “profess the religion of Islam, habitually speak the Malay language, [and] conform to Malay customs.”⁵⁹ (In 1963, the special position of the Malays was extended to the other bumiputera of Sabah and Sarawak.⁶⁰)

The above “ethnic bargain,” regardless of dissent among both Malays and non-Malays, remains as the most important legal charter and document, which spell out the essential guidelines for the nation-state to manage its ethnicity and national identity, and could only be amended via constitutional amendments, which have to be passed by the Parliament. What became the order of the day through political independence is the institutionalization of ethnic/communal politics as legitimate—a feature which has become resilient in the political culture and life of ordinary Malaysians. Thus for the Malays, voting for the multi-ethnic Alliance would be:

...essentially an expression of communal solidarity in which they reaffirm support of the Malay community, UMNO and recognize Malay leaders such as the Prime Minister and the State assemblymen...Support for the actual multi-ethnic Alliance, however, is dependent upon the continued perception of Malay political hegemony, preservation of Malay rights, and privileges, and favoritism shown toward them in the formulation of and execution of policies.⁶¹

On the Chinese side, Judith Strauch’s following observation of the periphery-center political linkages in Chinese village politics in Malaysia reflects another kind of “fragmentation” in the political culture of the Chinese periphery:

The Malay-dominated center shares bonds of common ethnicity with the Malay periphery, and bonds of common material interest with the Chinese elites who share power at the center, but in relation to the Chinese periphery an operational commonality is lacking. The Malay center dominates the Chinese periphery, but is able to offer little direct inducement or assurance of solidarity...It is left to the subordinate Chinese element of the center, from the ambiguous position of uncertain proximity to real power, to act as mediator and convey an aura of solidarity and inclusion embracing the Chinese periphery...Politics for Malaysian Chinese lacks an

⁵⁸ Halim, 136.

⁵⁹ Ibid.

⁶⁰ Ibid., 139.

⁶¹ Marvin Rogers, *Local Politics in Rural Malaysia*. Kuala Lumpur: S. Abdul Majeed, 1993, 931-932.

important normative/ideological dimension, and remains instead very instrumental in nature...The government builds on traditionally strong symbolic elements of the shared cultural “base”...Enthusiasm for Malaysian’s contemporary political culture is not easily rallied among Chinese Malaysians...The ultimate integration of Chinese local systems into full membership in a Malaysian political culture may continue to be problematic.⁶²

But as this chapter has tried to demonstrate, it is wrong to divorce the explanation of the evolving communal politics and political culture from the configuration of the “class contention” that preceded this development. As Salem observes:

Yet the very formation of communally based parties, and the subsequent structuring of Malayan political life along communalistic lines, has itself been closely related to the class struggle that was taking shape. If it is evident that all three dominant political parties relied overwhelmingly on racially-oriented political programs and ideologies, this has developed in a specific context: in which UMNO, MCA, and MIC were attempting to counter organizations that were appealing to the class interests of the majority sections of each ethnic group. Communal politics can thus be seen as both, a consequence of evolving class conflicts, as well as a specific means of participation within that conflict...This suggests that the striking dominance of communalistic currents in the political life of the country ever since the early 1950s cannot be explained without reference to the consistent and regular suppression by the state of attempts at mobilization along class lines.⁶³

From Independence to the May 13th Racial Riots in 1969

Independence in Malaysia was essentially a class compromise between Malay political power, Chinese comprador, and British capital. This compromise took place in the context of an economy dominated by foreign and Chinese interests, but with a predominantly underdeveloped Malay peasant base and the absence of a Malay bourgeoisie. Under the uneasy initial political coalition, the state, dominated by the Malay ruling faction, came under pressure. Its legitimacy with the Malay voters rested on solving two essential problems—Malay (rural) poverty and the absence of a Malay capitalist class.

With the first, it was not until 1965 that budgetary allocations actually accorded primary importance to rural development despite it being the second prong of the post-colonial state development strategy. Since 1965, land development took the

⁶² Judith Strauch, *Chinese Village Politics in the Malaysian State*. Cambridge: Harvard University Press, 1981, 13-14.

⁶³ Salem, 1982, 88-89.

largest slice in the rural development allocation. Despite the expenditure increase, “its strategy [limited by the class interests of the ruling party as well as the type of development orientation adopted] saw the increasing deterioration of the majority of the population, both in relative and absolute terms...The average income of the bottom 10 percent of all households decreased by 31 percent, from \$49 to \$33 per month, between 1957–1970...income inequality worsened for the total population as well as within each community, with the Malays taking the lead.”⁶⁴

With the second problem, the postcolonial state was constrained by the nature of compromise underlying the alliance, marked by “first, the basically ‘laissez faire’ policies towards accumulation by foreign interests and by the predominantly Chinese local capitalist, and second, the free hand allowed to the predominantly Malay bureaucratic middle class to expand and consolidate itself.”⁶⁵ Efforts to create a Malay capitalist class were “circumscribed by the State’s long-standing commitment to ensure continued capital accumulation by the stronger and longer established business interest.”⁶⁶ Though no Malay capitalist class was created, these efforts, however, helped to increase “the ranks of the Malay middle class, especially the bureaucratic middle class, “which provided important support for the nascent bureaucratic capitalists.”⁶⁷ The latter began to make their presence felt by the mid-1960s, and the first serious expression of their demand and plight was made at the first Bumiputera Economic Congress in 1965, attended mainly by Malay bureaucrats and politicians. The discontent that was increasingly felt by the aspiring petty bourgeoisie was articulated mainly in racial terms: “Bumiputeras are in disarray and diffident (sic), dismayed and behaving like foreign interlopers in the urban non-Bumiputera commercial and industrial life. They have seen so many failures in the face of stiff competition from a strongly-entrenched ‘enemy.’”⁶⁸

In the 1968 Second Bumiputera Economic Congress, there was an open demand for an end to “an unregulated competitive capitalist system,” for it was clear that “the overall creation of a viable class of Malay capitalist was thwarted,” unable to challenge the “hegemony” of foreign capital and local Chinese capital aligned with it. Indeed by 1969, the year of the major racial riots in Malaysia, only 1.5 percent of the total share capital in public limited companies was owned by Malays, compared to 22.5 percent by the Chinese and 62.1 percent by foreign capital.⁶⁹

As Jomo remarks: “This limited Malay participation...could not possibly satiate the rising expectation of the rapidly growing (Malay) middle class. Frustrated ambitions in such quarters fueled the apparently ‘extremist’ challenge in the late sixties by the so-called ‘Young Turks’ or ‘Ultras’ against the established UMNO leadership. The latter was depicted as having sold out ‘Malay interests’ to non-Malays, especially

⁶⁴ Lim Mah Hui and Canak, “The Political Economy of State Policies in Malaysia,” *Journal of Contemporary Asia*, 11(2), 1981, 213. Parentheses added by author.

⁶⁵ K. S. Jomo, “Restructuring Society: The New Economic Policy Revisited,” paper presented at Persatuan Ekonomi Malaysia Conference, Kuala Lumpur, 1978, 42.

⁶⁶ *Ibid.*

⁶⁷ *Ibid.*, 6.

⁶⁸ Cited in Lim and Canak, 1981, 213.

⁶⁹ *Ibid.*

Chinese.”⁷⁰ On the other hand, “Confronted with an avowedly pro-Malay government which appeared to be advancing the interests of Malays over those of other races—e.g. by provision of ‘special rights,’ ethnic employment quotas, etc.—non-Malay resentment against the system and the policies of the State also took on an ethnic character.”⁷¹

In the meantime, apart from the declining household incomes already mentioned, the fluctuating and declining prices of the 1960s also generated widespread rural landlessness and rural-urban migration, further swelling the urban population size. The industries established under the 1957–1969 Import Substitution Industrialization strategy could not absorb this flow of jobseekers, as they could no longer be sustained by domestic demand. Unemployment in general rose and urban unemployment in particular soared to 10 percent and though this mainly affected the Chinese, it also accentuated the “Malay migrants.”⁷² The latter “were encouraged to perceive their exclusion from jobs as being racially motivated,” especially confronted by the “impregnable” appearance of non-Malay private capitalist sector.⁷³

The above economic and social conditions made the urban areas “a hot bed of political ferment.”⁷⁴ The absence of a viable Malay capitalist class was increasingly blamed for the lack of job opportunities for a burgeoning Malay proletariat in the city. At the same time, the Chinese were also frustrated with their ineffectiveness due to the weak MCA position in the Alliance Coalition, which had resulted in the strengthening of two predominantly Chinese-based political parties, the Democratic Action Party (DAP) and the Gerakan.⁷⁵ Indeed, in the 1969 general elections, the MCA lost in the urban areas to the Gerakan and the DAP, whilst in a number of rural constituencies, Malay opposition, the Islamic Party, and PAS won these seats from UMNO. The rest is history—victory marches by DAP supporters in the capital city triggered the 1969 race riots, after which parliamentary rule and democracy was suspended for several years with the imposition of emergency rule by the state under the NOC (National Operations Council). The May 13th riots provided the state with the opportunity to move more aggressively to promote and cater to the demands of the aspiring Malay capitalist faction through the formulation of what is now known as the NEP (New Economic Policy). But, the NEP was only the beginning of a state interventionist approach to resolve problems, which, at the level of subjective domains, were increasingly perceived as being based on ethnicity or “race.” Clearly at the heart of the issue was the problem of a new nation-state seeking its own version of national identity and unity, and coming to terms with its competing ethnicities and multiculturalism. As we shall see, economic strategies alone would not be adequate for the above purpose.

⁷⁰ Jomo, 1978, 7.

⁷¹ Jomo, 1977, 42-43.

⁷² Redha Ahmad, “Capital Accumulation and the State in Malaysia,” *Ilmu Masyarakat*, 8, 1985, 17.

⁷³ Jomo, 1977, 42.

⁷⁴ Redha, 17.

⁷⁵ R. S. Milne, and D. K. Mauzy, *Politics and Government in Malaysia*. Vancouver: University of British Columbia Press, 1978, 142-164.

Post-1969 Strategies of Ethnic Management in Malaysia: From Ethnicism to Developmentalism

The following analysis has to be contextualized in the bigger discourse of the practice of democracy and governance in Malaysia. In this undertaking, we are very much guided by two perspectives. The first is by Crouch who characterizes the Malaysian polity as an “ambiguous regime,” which is “neither democratic nor authoritarian but contains elements of both.”⁷⁶ I sense that the author is careful in trying to avoid the trappings of both orientalism and essentialism by acknowledging some elements of social relativity and pragmatism, when he states that “the regime has exhibited democratic tendencies in some respect and authoritarian tendencies in others. The result, however, has been a political system that combines both in a mutually supporting way.”⁷⁷ The reminder by Crouch is important since the Malaysian strategy of ethnic management has not been without resort to certain political controls through legal and constitutional means (such as the Emergency Powers, the Internal Security Act (ISA), the Sedition Act and Official Secrets Act, and the University Colleges Act). In the latest use of these powers, leaders of the Reformasi movement against Prime Minister Mahathir Mohamad, and those involved with “militant Islam” were detained without trial under the ISA.⁷⁸

The other perspective is provided by Francis Loh Kok, who sees the Malaysian post-1969 reconstruction as characterized by the movement from an ethnic nation to developmentalism, while still continuing the elements of state “political controls” as mentioned in Crouch. He treats the 1990s as a decade characterized by issues of “cultural liberalization, the withdrawal from public debates of ‘sensitive’ issues, and the privatization of ethnicity...to be located in (the) context of economic liberalization, rapid growth and the replacement of the NEP with the NDP (National Development Policy).”⁷⁹ He sees the irony of the NEP, an ethnic-based affirmative action policy, which however has “facilitated the transition from the discourse of ethnicism to the discourse of developmentalism.”⁸⁰ In this respect, it has led to the growth and subsequent expansion of a multi-ethnic new middle class, which not only has a dynamic and political space—civil society (?)—of its own,⁸¹ but which, to some extent, has also led to a de-emphasizing of ethnicity. Indeed, this new middle class has subsequently become an important player in the new consumer culture of globalization.⁸² With the benefit of hindsight, it is also clear that the positive

⁷⁶ Harold Crouch, *Government and Politics in Malaysia*. Ithaca and London: Cornell University Press, 1996, 12.

⁷⁷ *Ibid.*

⁷⁸ *Ibid.*, 77-95.

⁷⁹ Francis Loh Kok Wah, “Developmentalism and the Limits of Democratic Discourse,” in Francis Loh Kok Wah and Khoo Boo Teik, eds., *Democracy in Malaysia: Discourses and Practice*. Richmond, Surrey: Curzon, 2002, 44-45.

⁸⁰ *Ibid.*, 42.

⁸¹ Clive Kessler, “Alternative Approaches, Divided Consciousness; Dualities in Studying the Contemporary Southeast Asian Middle Classes,” in Abdul Rahman Embong, ed., *Southeast Asian Middle Classes* (op.cit.), 2001.

⁸² Abdul Rahman Embong, “Social Transformation, the State and the Middle classes in Post-Independence Malaysia,” in Zawawi Ibrahim, ed., *Cultural Contestations: Mediating Identities in a Changing Malaysian Society*. London: ASEAN Academic Press, 1998; “Beyond the Crisis: The Paradox of the Malaysian Middle class,” in Abdul Rahman Embong, ed., *South East Asian Middle Classes: Prospects for Social Change and Democratization*. Bangi: Penerbit Universiti Kebangsaan Malaysia, 2001(a); “The Culture and Practice of Pluralism in Postcolonial Malaysia,” in Robert W. Hefner, ed., *The*

dimensions of the ethnic-based Malay affirmative action policies, through the NEP, compare favorably to the Indonesian situation. Political observers note for instance the violent anti-Chinese Indonesian backlash and response to the economic crisis after the fall of Suharto compared to the absence of such expressions in Malaysia. Despite the Asian financial crisis and the prevalence of “money politics,” cronyism, and other problems, reviews have shown that the “modernization project” of the Malaysian nation-state,⁸³ though still unfinished, has been able to manage quite satisfactorily its competing ethnicities, and to a large extent, deliver the economic goods to its multiethnic citizens. This is not to deny the fact that in the process of empowering the major ethnic groups, there still exist socio-economic minorities within both bumiputeras and non-bumiputeras, who have been marginalized by mainstream developmentalism.⁸⁴

Paralleling the economic strategies of ethnic management the National Cultural Policy was formulated in 1971, about the same time as the NEP.⁸⁵ This represented the first “official” attempt to “regulate” the so-called “unregulated multiculturalism” in Malaysia, deemed to be at the root of the May 13th riots. But conceptually, the National Cultural Policy (NCP) was too essentialist in its approach, based on an idealized civilizational notion of Malay culture. After the NEP had transformed and reconstituted “Malay culture” in diverse ways, the whole representation of “Malay” in the NCP, even to the most ardent Malay, is becoming more questionable and problematic. In the current era of globalization, it can also be observed that the dominant ethnicizing discourse of the NCP has often been alternated by the assertion of a demotic discourse which is more in line with the global pitching of Mahathir’s notion of a Malaysian nation—Bangsa Malaysia—and the 2020 Malaysian Vision (Wawasan 2020), i.e. a move towards the creation of a Newly Industrialized status by 2020. The above transition has also been mediated by the “Look East” Policy, and a series of different globalizing discourses—Inter-Civilisational Dialogues, the Asian Renaissance and the Asian values debate.⁸⁶

Politics of Multiculturalism. Pluralism and Citizenship in Malaysia, Singapore and Malaysia. Honolulu: University of Hawaii Press, 2001(b).

⁸³ See Khoo Kay Jin, “The Grand Vision: Mahathir and Modernisation,” in Joel S. Kahn and Francis Loh Kok Wah, eds., *Fragmented Vision* (op. cit.), 1992. For detailed elaborations and analyses of the benefits of the NEP to the both the Chinese and Malays, see Halim Salleh, 2000 and Francis Loh Kok Wah, 2002.

⁸⁴ Zawawi Ibrahim, “An Anthropological Perspective” in eds. Pathmanathan, M & Haas, R., *Political Culture. The Challenge of Modernisation*. P. Jaya: Friedrich Naumann & Centre for Policy Sciences, 1995 (a); “Epilogue: A Southeast Asian Discourse on the Environment,” in Victor King, ed., *Environmental Challenges in Southeast Asia*. London: Richmond: Curzon, 1995(b); Zawawi Ibrahim, ed., *Kami Bukan anti-Pembangunan. Bicara Orang Asli menuju wawasan 2020*. Bangi: Malaysian Association of Social Sciences, 1996(b); “The Making of a Subaltern Discourse in the Malaysian nation-State: New Subjectivities and the Poetics of Orang Asli Dispossession and Identity,” in Zawawi Ibrahim ed., *Cultural Contestations: Mediating Identities in a Changing Malaysian Society*. London: ASEAN Academic Press, 1998; “Regional Development in Rural Malaysia and the ‘Tribal Question,’” *Modern Asian Studies*, 34(1), February, 2000(a); *Voices of the Crocker range Indigenous Communities Sabah*. Universiti Malaysia Sarawak: Institute of East Asian Studies, 2001(a); “Pengantar,” ed. (Zawawi Ibrahim) *TUNTUT (Kumpulan Cerpen Orang Asli)* by Akiya. Kuala Lumpur: Dewan Bahasa & Pustaka, 2001(b).

⁸⁵ Zawawi Ibrahim, “Anthropologising “National Culture” in Malaysia. Representing and Contesting Culture in the Age of Fragmentation” in *Soumen Antropologi* (Special issue) 2. 2000(b).

⁸⁶ Khoo Boo Teik, “Nationalism, Capitalism and Asian Values,” in Francis Loh Kok Wah and Khoo Boo Teik, eds., *Democracy in Malaysia: Discourses and Practices*. Richmond, Surrey: Curzon, 2002.

Globalization has also given a new fluidity to the bounded notion of cultural and national identity. Through the Ministry of Tourism, the representation of Malaysia in public forums and festivals has predominantly been a showcasing of Malaysian multi-ethnicity and its cultural pluralism. Hence, at the official level, the active promotion of tourism by both state agencies and the federal government has projected the image of multicultural fluidity between ethnic boundaries. The Tourism Ministry's latest successful showcasing of its multi-ethnic "open-house" celebration draws from different ethnic and religious festivals, which have been reorganized into a major tourist event.

It has been argued that in an age where societies have become "globally connected and culturally intertwined" multiculturalism will become a more pertinent and relevant force.⁸⁷ Others have noted how heterogeneity is now becoming part of the conscious identity of modern societies, reformulating "new hybrid forms"⁸⁸ in which "the concepts of sameness and difference are presented as compatible rather than opposed."⁸⁹ Thus, "in recent decades, national cultures are often quite openly presented as heterogeneous and fluid communities," no longer requiring the state to project the image of a culturally homogenous entity as proposed by some of the theories of nationalism.⁹⁰

In the field of arts, theater, films, and other popular culture, such as music, the globalization process has also seen in Malaysia the beginnings of interactive multi-cultural synergies taking place beyond the "market-place" boundaries that were originally conceptualized in Furnivall's notion of "plural society." Lately, such inter-ethnic forays have also extended into "new social spaces" engendered by globalization, such as the cyber-cafes that mushroom all over the country. Indeed, "when it comes to globalization and transnational connection youth cultures are in the forefront of theoretical interest: youth, their ideas and commodities move easily across national borders, shaping and being shaped by all kinds of structures and meanings."⁹¹ In Malaysia, the increasing role of this new generation cannot be underestimated in terms of its different positioning and repositioning in civil society, to be able to synergize with and promote some form of "local multiculturalism" in the context of globalization. The multicultural synergies in the popular culture and arts of the country, the diverse cosmopolitanism, and "hybridization" that have been evolving independently of state cultural policies and intervention⁹² will most certainly contribute to the future development of a Malaysian type of multiculturalism. In the field of international sports (through the Commonwealth Games, World Cup Hockey and Youth Soccer tournaments, golf competitions and Formula One racing), Malaysia

⁸⁷ Manuel Castells, *The Information Age: Economy, Society and Culture*. Volume 2. *The Power of Identity*. Oxford: Blackwell, 1997, 3.

⁸⁸ Young, cited in Penelope Harvey, *Hybrids of Modernity: Anthropology, the Nation-State and the Universal Exhibition*. London and New York: Routledge, 1996, 69.

⁸⁹ Penelope Harvey, 1996.

⁹⁰ Ibid.

⁹¹ Helena Wulff, "Introducing Youth Culture in Its Own Right: The State of the Art and new Possibilities," in Vered Amit-Talai and Helena Wulff, eds., *Youth Cultures: A Cross-Cultural Perspective*. London and New York: Routledge, 1995, 10.

⁹² Zawawi, *Popular Culture at the Crossroads: Malay Contemporary Music*. Monograph Series of the Academy of Malay Studies. Kuala Lumpur: Universiti Malaya, 1996(a).

has also been asserting itself as a global host. But sports is also an opportunity to project the image of a multicultural national “team” with the exhortative chant *Malaysia Boleh* (Malaysian Can!) and sporting representatives such as a popular indigenous sprinter known as the “Flying Dayak”. This global imaging also takes shape in Malaysia’s construction of “globalizing symbols” such as the twin Petronas Towers, the futuristic-looking Kuala Lumpur International Airport, the modern Light Rail Transit system, Cyberjaya (Malaysia’s version of the Silicon Valley), and the Multi-Media Super Corridor, designed as an agglomeration of high-tech enterprises, research and development centers, and a multi-media university.⁹³ These projects epitomize the Mahathir-led Malaysian nation-state’s political will and capacity to synergize with the new knowledge-based economy and the new technologies of globalization. An indirect outcome of all these is the inculcation into its citizens, especially the younger generation, the sense of a new Malaysian consciousness that transcends ethnic identity, and the pride of being a Malaysian who is also a pro-active globalizing member of world society.

One of the key challenges concerning national identity in the context of globalization is upholding and sustaining a “moderate Islam” in the wake of the September 11th terror attack on the United States. In this respect, the leadership has promoted the idea that a brand of Islam that is in harmony with the progress of the ummah (the Muslim community), not only spiritually but also materially, is also compatible with developmentalism. In the past, the state had to demonstrate an “official” commitment to Islam by appropriating a veneer of symbols and values into the domain of public administration. Over and above that, it also gave economic value and other “added values” to Islam.⁹⁴ The state’s “consumption” of Islam has predominantly been a defensive reaction to the opposition PAS in order to convince the public (especially Malay voters) of the “Islamic” basis of its policies (which sometimes revolves around the controversial question of whether Malaysia is an “Islamic state”). Indeed, there was a point in the UMNO-PAS relationship when the latter branded UMNO members and affiliated companies as “infidels.”

It would appear that PAS, owing to a combination of factors and circumstances, has effectively managed to assert itself as a competing source of legitimizing authority with regard to Malay cultural and customary practices (as in the party’s ban on public performances of traditional Mak Yong musical dance and wayang kulit shadow

⁹³ Claudia Derichs, “Competing Politicians, Competing Visions: Mahathir Mohamad’s *Wawasan 2020* and Anwar Ibrahim’s *Asian Renaissance*,” in Ho Khai Leong and James Chin, eds., *Mahathir’s Administration: Performance and Crisis in Governance*. Singapore: Times Books International, 2001.

⁹⁴ See A. B. Shamsul, “Identity Construction, Nation Formation, and Islamic Revivalism in Malaysia,” in Robert Hefner and Patricia Horvath, eds., *Islam in an Era of Nation-States: Politics and Religious Renewal in Muslim Southeast Asia*. Honolulu: University of Hawaii Press, 1997; Shamsul, “Consuming Islam and Containing the Crisis: Religion, Ethnicity, and the Economy in Malaysia,” in Mason Hoadley, ed., *Southeast Asian-centred Economies or Economics?* Copenhagen: Nordic Institute of Asian Studies (NIAS), 1999; Shamsul, “Why is Malaysia not Disintegrating? Islam, the Economy and Politics in Multiethnic Malaysia,” *Project Discussion Paper no.14/2001*. Institute for East Asian Studies, Gerhard Mercator Univesitat Duisburg, 2001(b); Mohamad Abu Bakar, “Islam, Civil Society and Ethnic relations in Malaysia,” in Nakamura Mitsio, Sharon Siddique, and Omar Farouk Bajunid, eds., *Islam and Civil Society in Southeast Asia*. Singapore: ISEAS, 2001; Sharifah Zaleha Syed Hassan, “Islamization and the Emerging civil society in Malaysia: A Case Study,” in Nakamura, et.al., eds., *Islam and Civil Society in Southeast Asia* (op. cit.); Syed Ahmad Hussein, “Muslim Politics and the Discourse on Democracy” in Francis Lok Kok Wah et. al., eds., *Democracy in Malaysia* (op. cit.), 2002.

puppetry in PAS-controlled Kelantan state). In this respect, Islam, as practiced by UMNO will always be a bone of contention. In the past, UMNO has resorted to “political controls,” such as detention under the Internal Security Act, when dealing with Islamic dissidents. A prime example was its resort to police force in the 1985 Memali incident, in which a number of civilians were killed when police attempted to arrest a dissident cleric. Long a source of enmity between Islamists and UMNO, the Memali issue made headlines again recently when the government directed its national television channel, RTM, to air its “documentary” version of the incident. With the global fight against terrorism now the order of the day, the government apparently feels confident in tearing at this old wound again to justify to the public its use of “political controls” against Islamic militancy as well as to gain political capital by putting PAS on the defensive.

In the last election, the Barisan Coalition led by UMNO was returned to power with a two-thirds majority in parliament, but with a significant erosion of Malay support. The sacking of Deputy Prime Minister Anwar Ibrahim and the process by which he was detained, investigated, and put on trial reflected rather poorly on Mahathir’s governance. This was a crucial factor in overwhelming PAS victory in the two predominantly Malay states of Kelantan and Terengganu. The Anwar saga also threw UMNO into a crisis of confidence, drove a wedge into Malay political culture, and, almost overnight, transformed it from a culture of *setia* (loyalty)⁹⁵ to one of confrontation and street protest.

For a while, there seemed to emerge a new Alternative Coalition in the making, with PAS combining forces with the new KeAdilan party, Parti Rakyat, and the DAP to assert a new challenge to the Barisan Nasional coalition. But the future of the new coalition is uncertain, clouded by apparent leadership squabbles and ideological differences. One persistent issue that keeps the PAS and DAP “marriage” tenuous is the question of an Islamic state. For the current leadership, the main challenge in its “moderate Islam” approach is to heal the wounds of Malay voters.

The pendulum of Malay ethnic relations and politics may have shifted from inter-ethnic to intra-ethnic rivalry. In the context of the post-September 11th global order, the Mahathir-led government’s emphasis on “moderate Islam” is not only a response to the needs of developmentalism and the priorities of globalization, but also an attempt to de-legitimize the PAS version of Islam and its hold on Malay voters. Indeed, the ability of the current Malaysian nation-state to balance developmentalism and multiracialism (multiculturalism?) while at the same time remaining “Islamic” in the face of a globalization that persistently homogenizes Islam, depends very much on its continuing capacity to rekindle and sustain such Malay support.

⁹⁵ See Chandra Muzaffar’s Malay protector thesis. Muzaffar, *Protector*. Penang: Aliran, 1979.