



# Asia Pacific Bulletin

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## Cooperation and Pragmatism: Malaysian Foreign Policy under Najib

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**Joshua R. Johnson** argues that recent positive developments in U.S.-Malaysia relations demonstrate “the potential emergence of a deeper, more cooperative relationship between the United States and Malaysia,” while “Malaysia continues to represent significant strategic interest for the United States in Southeast Asia in terms of both trade and security....”

At an April 15, 2010, presentation in Washington, Malaysia’s Prime Minister Datuk Seri Najib Tun Razak remarked that his country’s relationship with the United States is approaching a “new beginning.” If his recent bilateral meeting with President Obama on the sidelines of the April 2010 Nuclear Security Summit is any indication, he may be right. The meeting was significant in that it demonstrated the potential emergence of a deeper, more cooperative relationship between the United States and Malaysia. It also showcased a more conciliatory Malaysia that may endeavor to defuse recurrent tensions with its regional neighbors.

Malaysia’s often confrontational and nationalistic foreign policy softened following the 2003 transition from Mahathir Mohamad to Abdullah Badawi. Mahathir’s open criticism of the U.S. decision to invade Iraq, his frequent anti-Semitic statements, and his assertions that the West was attempting to “re-colonize” the developing world drew sharp criticism from major powers and strained relations with the United States. Malaysia’s relationships with neighboring countries were also far from sanguine. Forced repatriation of illegal workers to the Philippines and Indonesia distressed bilateral relations during Mahathir’s last year in office. Tempers flared over Bangkok’s assertions that Malaysia was being used as a training ground for insurgents in Thailand’s deep south. Further, a maritime dispute with Indonesia relating to oil exploration rights near Sulawesi led both sides to deploy naval vessels in 2005.

Since taking office on April 3, 2009, Najib has attempted to warm relations with surrounding nations. Najib visited Brunei last August—relations with Bandar Seri Begawan had faltered on territorial disagreements—to sign a Memorandum of Understanding on financial and labor issues. Indonesian President Susilo Bambang Yudhoyono visited Kuala Lumpur in November in part to reduce simmering tensions arising from the abuse of Indonesian domestic workers in Malaysia and the portrayal of a Balinese folk dance in a Malaysian tourism commercial that sparked anti-Malaysian protests in Jakarta. A visit by Lee Kwan Yew of Singapore to Malaysia in July 2009 signaled the two countries’ desire to improve bilateral relations that had been mired by controversies ranging from land-reclamation projects to the troubled reconstruction of the Singapore causeway. Taken jointly, Najib’s approach to Malaysia’s most immediate neighbors hints at a desire to boost cooperation and ease recurring regional tensions.

Malaysia continues to represent a significant strategic interest for the United States in Southeast Asia in terms of both trade and security, but this relationship could be strengthened further. Malaysia is the United States’ sixteenth-largest trading partner



**“With the political dominance of the ruling coalition threatened, a cooperative, conciliatory foreign policy that aims to encourage Malaysian trade and defuse regional tensions is a beneficial tool. If Najib is successful, this pragmatic foreign policy stance will result in an evolving external policy that has the potential to garner domestic support for a party that has fielded every Prime Minister since 1957.”**

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with bilateral trade flows topping \$44 billion in 2009. In 2008, Malaysia was authorized to purchase over \$269 million in arms from the United States, more than any other state in Southeast Asia including the two U.S. treaty allies in the region, Thailand and the Philippines. Kuala Lumpur has also received significant International Military Education Training from the United States, over \$757,000 in 2009, placing it fourth in the region. Malaysia announced in April 2010 that it is currently considering sending a military medical team to Afghanistan. On May 6, 2010, U.S. Trade Representative Ron Kirk met his Malaysian counterpart to explore the possibility of Malaysia joining the emerging Trans-Pacific Partnership (TPP), a multilateral trade agreement. A less authoritarian, more conciliatory Malaysia under the Najib government helps make this evolving relationship possible.

The most significant challenges to a more cooperative foreign policy stance under Najib are issues that are cast in religious terms within Malaysia. These will be significant both in terms of bilateral relations with neighboring countries, as well as those further afield. Malaysia's bilateral relations with Thailand were tense for most of Abdullah's tenure under accusations that insurgent groups had trained in neighboring Malaysian states. Relations with Myanmar remain equally cool over the granting of asylum to members of the Muslim minority Rohingya group who fled Burma over human rights abuses by the Burmese junta.

Malaysia's reaction to the ongoing Israeli-Palestinian conflict has the potential to tax relations with the United States. Malaysia suspended revived free trade agreement discussions with the United States in January 2009, ostensibly in protest of U.S. support for Israel's offensives in Gaza. Israel has also very recently emerged as a contentious issue on the floor of the Malaysian parliament. Opposition leader Anwar Ibrahim has accused Najib of hiring an international consulting firm with ties to the Israel government to improve Malaysia's image abroad. He has also pointed out alleged similarities between Najib's Malaysia campaign to foster national unity and former Israeli Prime Minister Ehud Barak's One Israel political alliance. As of April 22, 2009, Anwar faces parliamentary suspension because of these remarks. Incidents such as these are potentially damaging to the U.S.-Malaysia relationship. They both highlight the illiberal aspects of Malaysia's young democracy and hint at potential conflicts of interest between Washington and Kuala Lumpur concerning Middle East policy.

Malaysia's foreign policy shift in many ways reflects Najib's domestic political agenda. A boost to Malaysia's economy through participation in the TPP could bolster support for Najib's party and the ruling coalition. Both were weakened following the 2008 election that delivered five state governments into the hands of the opposition. A by-election in a battleground district near Kuala Lumpur late this April showed that Najib's coalition can still win domestic elections, albeit by razor-thin margins. The opposition won a surprise victory on Malaysian Borneo—traditionally a stronghold of Najib's coalition—in the May 16, 2010 vote. With the political dominance of the ruling coalition threatened, a cooperative, conciliatory foreign policy that aims to encourage Malaysian trade and defuse regional tensions is a beneficial tool. If Najib is successful, this pragmatic foreign policy stance will result in an evolving external policy that has the potential to garner domestic support for a party that has fielded every Prime Minister since 1957. Besides building better relationships with regional neighbors and the United States, one of Najib's mandates may be preventing the political opposition from wresting control of the federal government. This policy could leave Malaysia looking very different from the outside, but very unchanged within.