

# Knowledge Transfer, Modernization and Bilateral Linkages between the Middle East and Southeast Asia

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*Relations between the Middle East and Southeast Asia have for many centuries been described as an one-sided relationship where the scriptural and religion-wise dominant Middle East has “enlightened” the “syncretistic” Southeast Asia with its oral and lax Sufi and Hindu-Buddhist traditions. Southeast Asian students studying in Cairo have enforced this perception since the 19<sup>th</sup> century – the Islamic resurgence of the 1980s was the last one to import perceived “Arab” ideas across the continent and into the “Lands behind the Wind”. However, recently there has been a tremendous change in this relationship, where modernizing discourses on Islam and numerous trade initiatives of the “Asian Tiger States” like Malaysia and Singapore have started to influence and even dominate emerging dialogues with rather stagnant Middle Eastern partners. Knowledge on Islamic banking, on halal food trading business, on developmentalism and “evolution instead of revolution” in terms of political contacts has shown new perspectives but also poses new challenges to western policy makers, who no longer reign unchallenged while South-South-relations develop into new forms of bilateral relations and globalized governance.*

## Introduction

Southeast Asia has always been described to be at the periphery of events, especially in terms of Islam, Islamic education, trade and knowledge transfer. Many authors have made it a point to say that “the lands beyond the wind” have been at the receiving end, be it in terms of an Arab inspired Islamization, an equally western inspired trade through Arab and Indian merchants who brought new ideas and thoughts – and finally of scholars, Sufis and students, who benefitted from schools of thought of other Asian regions, from Central Asia over Northern India to the Middle East and brought them to peninsular Malaya and the *Nusantara* belt, where they were incorporated in local traditions that were invariably seen as weak, influenced by syncretistic folk beliefs or by the patriarchic system of the local *kerajaan*.

To cite but a few of the authors, who stand for this approach, are the works of Morley (1949), who describes the sporadic contacts between the Middle East and the receiving Southeast Asia before the event of Islamization, Van Leur (1967), who writes about eleventh century Arabs who called at ports of the Malay archipelago, Roff (1967) discussing the role of Arab scholars and their role in influencing and educating the future

administrative and entrepreneurial classes of Malaya, and numerous others like Andaya (1982), Mutalib (1993), Means (1991) or Bajouned (1996)<sup>1</sup>, who make this case for contemporary Southeast Asia, Malaysia and Indonesia. According to them, the Muslim parts of ASEAN, primarily Indonesia and Malaysia and also Brunei and the Muslim borderlands of Thailand and the southern Philippines have developed and received an intellectual impetus through a western influx of local students studying at the *al-Azhar* in Cairo, through an increased trade after the opening of the Suez channel, and through student exchanges during the event of the so-called Islamic resurgence, *kebangkitan Islam*, in the late 1970s and early 1980s. Even self-proclaimed terrorism experts like Abuza (2007)<sup>2</sup> still cling to the perception of Arab imports that come at least from the wastelands of Pakistan and Afghanistan into Southeast Asia, spreading a perception of Islam that has so far been alien to the Sufi-inspired locals and their understanding of local tradition (*adat*).

While arguing that perceptions of an early one-sided knowledge transfer between the “Islamic periphery” and the Arab heartlands are as much a myth in the early stages as in the 19<sup>th</sup> and 20<sup>th</sup> centuries, the present paper intends to make this point foremost for the events of the last twenty years or so. Arguing for a tremendous shift in the relationship between Southeast Asia and the Middle East, it is proposed that the quickly growing Tiger economies of Malaysia and Singapore as well as new concepts of value-imbued modernization as the Malaysian Vision 2020 (*Wawasan 2020*) of former Premier Mahathir and *Islam Hadhari* of the current Badawi administration have done much to turn the trend around – Southeast Asia is not at the “receiving end” any longer. On the other side there are mixed signals.

The stagnant Mubarak regime in Egypt and the fast growing Gulf region stand for different approaches which nevertheless have several things in common with their Southeast Asian counterparts. This paper argues for similar development in a state-protected business environment where businessmen-politicians close to the government make profits thanks to preferential treatment – at the same time there are new chances in the two regions through new business approaches as Islamic banking – of which Malaysia is a major hub – and in other fields, as in the marketing of *halal* Islamic food products, in telecommunication, tourism, shared political and security concerns, in new or revived organizational linkages as between ASEAN and the OIC and numerous others.

### **The Myth of a One-sided Transfer of Knowledge in the 19<sup>th</sup> and 20<sup>th</sup> Century**

Undeniably the influence of the Arabs in Southeast Asia has been considerable, even though recently authors have tried to de-construct this view. The immigration of Hadramaut and Southern Arabs in general reached a peak between the middle of the 19<sup>th</sup> century and roughly about 1940 at the beginning of the Second World War. Being on the “receiving end” of this influx, Southeast Asians, according to this approach, have been confronted with new ideas and thoughts regarding the interpretation of religion, the formation of society or simply new patterns of trade and business with their modernizing

effects - but there were not only Arabs arriving in the region, whose arrivals reached a height of perhaps 100 000 in the 1920s and 30s, the majority being Hadramaut Arabs of the *Shafi'i* school. Another smaller group of Arabs came from Greater Syria, the Lebanon, Syria and Palestine in the 1870s and proceeded to the Philippines where they generally became known as “the Syrians”. A last wave of immigration occurred in the 1970s as a result of the Lebanese civil war, consisting mainly of Maronites, Greek orthodox and Druze affiliations, moving to Indochina because of their close ties with the French colonial culture that dominated in both Lebanon and Indochina.<sup>3</sup>

Apart from Arabs there were wealthy Jews arriving as traders and merchants from the Sephardic rite of Babylonian Jews, even though there were others from Egypt and Syria. Some authors as de Jonge and Kaptein (2002)<sup>4</sup> and Clarence-Smith (no year)<sup>5</sup> have gone to great lengths in describing the trade activities of these immigrants as hawkers, peddlers and shop-keepers, as important-export merchants or in the shipping and manufacturing industry. The tenor of these publications is that Arabs and to a lesser extent Jews started to develop the Southeast Asia region from its basics, being generously assisted by the respective colonial masters who welcomed Arabs traders in the *entrepot* states and trading ports of Melaka, Penang, Surabaya and Jakarta, among others. One of the first authors to question this dominance of imported knowledge vis-à-vis the “dull, passive and dependent locals” was Syed Hussein al-Attas in his work “The Myth of the Lazy Native” (1977)<sup>6</sup>, in which he argued for a rich tapestry of existing local knowledge, starting from the elaborate local system of governance in the *kerajaan* (kingship) up to centuries-old patterns of local trade.

It is interesting to note that racist connotations of Islamic conservatism and a merely scriptural approach towards Islam imported from the Arab heartlands versus a receptive, passive local Islam, be it in Malaysia or Indonesia, has even influenced government circles in today’s Southeast Asian states. Even though nothing is further from the truth, the perception prevails that the so-called terrorist cells and organizations as al-Qaeda function on the basis of a one-sided knowledge transfer from the Middle East, in which fanaticism is associated with imported Arab lifestyles (dress codes, prayers etc.) that have made inroads into Malay households since the late 1970s and the coming of an equally Arab-inspired so-called Islamic resurgence, *kebangkitan Islam*, to Muslim Southeast Asia.

According to this understanding, which dates back to the 19<sup>th</sup> century and very much influences today’s views of Southeast Asia and the Middle East, there is a prevailing stereotyping about the two regions, as Abaza observes.<sup>7</sup> On the one hand there is the recipient, heterodox, syncretic and lax “oral” Southeast Asian Islam which comes under threat from an Arab mannerism, which includes dress codes, eating styles and social behaviors which are seen as alien imports – brought along by students and enforced at the home front. Abaza cites the whippings of the newly installed *shariah* courts in Aceh as one of the examples for these kind of imported Arab cultures. This amounts to the overall perception which is valid until today and remains vivid in the minds of many so-called

terrorism experts interpreting connections of al-Qaeda in Southeast Asia with clichés of a harsh imported Arab Islam and according to Abaza, it is not a coincidence, that both the leader of the alleged terror group *Jemaah Islamiyah* in Indonesia, Abu Bakar Basyir, nor Osama bin Laden himself are supposedly of Arab – Hadrami – descent.<sup>8</sup>

Evidently, western fears of a radical and scriptural Arab Pan-Islamism have never ceased to bother minds on both sides, being re-enforced today through – as for example the Singaporean government sees it – radical Islamic schools (*madrasahs*) which work as catalysts for an imported Arab radicalism. The fact that a *Wahhabi*-style conservatism is nowadays often homegrown, is conveniently overlooked, partly due to alliance systems that are not supposed to jeopardize the “War on Terror” (as in the case of Malaysia and Indonesia), partly also due to the fact that there is a confusion of meanings in reference to “modernizing’ and conservative” Islam in parts of Southeast Asia itself. One example is the International Islamic University (IIU) in Gombak, Kuala Lumpur, which, only initially under Saudi Arabian hospices, has become an institution producing thousands of Islamically trained students both for the local job markets, the new Islamic administrators of the Malaysian state, as exporting them abroad, where large numbers of foreign students have taken up white collar jobs in their respective home countries, actively helping to Islamize countries like Bosnia, Albania, parts of southern Russia, the Central Asian states or others. This supposedly “modern” Islam rooted in the principles advocated by the Malaysian state such as *Wawasan 2020* and *Islam Hadhari*, preaching an Islamic “enlightenment” of constant learning, self improvement, a diverse multi-facetted liberal society and so forth, still has inherited much of the unquestionably deeply conservative Islam of the Islamic resurgence. The so-called *kebangkitan Islam* has spread strict segregation of the sexes, Islamic dress codes, observances on the ban of alcohol and on non-*halal* food and consequently a further alienation between the various ethnic communities throughout Malaysia since the late 1970s, a strict conservatism which has been unheard of in the Middle East, in Egypt, Lebanon, Syria, Iraq, Turkey, even in the presumably so conservative Iran. In fact, many Southeast Asians remain deeply shocked about the “sinfulness” of Cairo, supposedly the cradle of Islamic civilization with its influential and old Islamic institutions as the *al-Azhar* university, noting Cairo’s “nightlife, its bars, nightclubs and belly dancers”<sup>9</sup> which at least in Kuala Lumpur would result in a quick response by the law enforcement teams of the religious department (*Jabatan Agama*).

Other schools, as the *madrasahs* at the Malaysian east coast – under the auspices of the Islamist opposition party *Parti Islam SeMalaysia* (PAS), have send large numbers of Malay students to Pakistan, a linkage which goes back to the 1920s, when the Chief Minister of Kelantan, Nik Aziz Nik Mat, studied in the *Deobandi al-Uloom* schools of Northern India.<sup>10</sup> After a crackdown in Pakistan in 2003 this contact has largely stopped, which does not mean, however, that Malaysian and Indonesian students do not continue to be sent to the hundreds of privately run clandestine schools in Pakistan, Afghanistan and also to the *Deobandi madrasahs* in Northern India.

Comparing these two approaches towards Islam, it is evident that we cannot talk about a one-way-relationship between the so-called Islamic periphery and the center. There have been many instances where – contrary to the belief that a conservative Islamic brand has been imported to Southeast Asia, there have been own creations and trajectories of Islamic understandings which have nothing in common with the Middle Eastern “original”, be it conservative or not. Especially in recent years, many more instances of a multi-layered knowledge transfer between the two regions have developed. They are concerned with modernization, industrialization and privatization of the public sector which show that – while both regions have certain patterns in common – it is often the Southeast Asian side now functioning as an engine for reform, change and innovation.

### **The Omnipresent State and the Business Politician: Similarities in Both Regions**

Egypt and Malaysia are two good examples to explain how business politician networks have developed throughout recent years that are on the one side closely linked to the government from which they draw favorable treatment and patronage, whereas on the other side they are comparatively free to act in the newly privatized public sector – allowing them to set up linkages and joint ventures with other developing countries in similar transitional settings. This background has become a breeding ground for all kinds of bilateral contacts between governments, companies and industries in various sectors and there has been a remarkable growth in South-south-cooperation, which so far has been largely neglected academically. This happens not only between Southeast Asia and the Middle East, but also between Southeast Asia, Central Asia, South Asia and Africa, among others and explains the late successes of Mahathir’s *Malaysia Boleh* model (“Malaysia Can Do It”), rapid growth without parallel democratization, as urged by western partners. This slogan has become a blueprint for many South-south cooperation partners, be it Malaysia, Singapore, Egypt, the Gulf States, Kazakhstan, Uzbekistan or China.

In Malaysia, patronage is deeply imbedded in Malay society, reaching back to the leader-led relationship in the Malay *kerajaan* (sultanate)<sup>11</sup> and being successfully re-implemented by the ruling United Malays’ National Organization (UMNO). While being a latent ever-present element of ruler-ruled governance for centuries, patronage has come into full swing with the introduction of privatization schemes as the New Economic Policy (NEP) (1970) and the New Development Policy (NDP) by the Mahathir administration in mid-1991.<sup>12</sup> As Khoo (1994) puts it, “Malay businessmen had been nurtured on easy credit, business licences, government contracts, and other forms of preferential treatment... NEP’s restructuring appeared to have removed the racial imbalances only in form because in reality NEP fostered a ‘dole’, ‘subsidy’ or ‘get-rich-quick’ mentality among the Malays.”<sup>13</sup> In consequence, many Malay entrepreneurs have emerged in the last almost 40 years of preferential policies that have build large conglomerates closely linked to the government and the ruling elites. While this was true for Malaysia in the 1980s, many developing countries have followed suite so far,

implementing privatization policies combining authoritarian or semi-authoritarian rule with elite protection and close linkages to the ruling party and state entrepreneurs.

Not necessarily being the predicament of a multi-ethnic state as Malaysia, this development can be seen in countries like Egypt, Kazakhstan, Uzbekistan, Kyrgyzstan, the Gulf States and numerous others. Overall, between 1988-95, developing countries in the Latin American and Caribbean region have been leading in privatization efforts with 54 billion US\$ or 46 per cent of the total amount of proceeds from privatization. East Asia has followed next with sales amounting to 28 billion US\$ or 25 per cent, followed by Central Asia with almost 20 billion US\$ or 17 per cent.<sup>14</sup> No wonder that Malaysia is not alone with its “Vision”-politics (*Wawasan 2020*) that accentuates economic rather than political reform through massive privatization efforts to become an industrialized nation by the year 2020. Other countries have followed suite, if Malaysia is to become an Asian tiger in one decade, Kazakhstan will be a “Central Asian Snow Leopard” by the year 2030, India, ASEAN, Rwanda, Kenya, Pakistan and Korea and others have similar visions for the years 2020 or 2030.

While the fact is true that huge assets in the telecommunication, banking, heavy industries, tourism and numerous others sectors have been turned over to private owners by the state, the culture of political transparency and accountability remains underdeveloped in these political systems which according to authors like Brownlee are semi-authoritarian at best.<sup>15</sup> However, this is no hindrance at all for a healthy development of international South-South-linkages of second world economies.. The boom of partly regulated markets, the fact that state and private ownership are mixed and the huge investments flows of developing countries nurturing new consumer-hungry middle classes are guarantees of a phenomenon being overlooked until recently by western academic circles: This is a serious contender for the western model of rapid or forced democratization (Iraq, Afghanistan) and is equally if not more successful, to say the least. Mixed business environments and a political system, in which the state is responsible for rapid modernization, have always been the capitalist dream of leaders in Malaysia, Singapore, Indonesia (Suharto) and elsewhere. But this blueprint for development has not gone unnoticed elsewhere. It is the basis for Kazakhstan’s “Central Asian Snow Leopard model” and has also found admirers and friends in the Middle East.

Political and business developments in Egypt are similar to the ones in Malaysia for example, even though Abaza concludes that this is not an imminent result of blossoming West-East relations between the two regions, which have started up in the last few years only.<sup>16</sup> Like Malaysia’s ruling party UMNO, the governing National Democratic Party of Mubarak is in power since decades. The modernization and liberalization program of Mubarak in the 1990s – correcting socialist experiments of Nasser and partly Sadat – has led to a growing intermingling of business interests and politics, where real estate tycoons as Ahmed Badgat, steel and industry chief Ahmed Ezz, Mohamed Shafiq Gabr, the former head of the American Chamber of Commerce, and others all became known for

their close contacts with the government. According to the newspaper *al-Ahram*, 20.7 per cent of the 179 deputies elected to the People's Assembly were businessmen in 1995.<sup>17</sup> As in Malaysia, this group has been described as a "very strong lobby" that – however – prefers to act behind the scenes. The government sees this relationship from the utilitarian point of view: "The government seeks to co-opt businessmen to be able to indirectly control their money and their ability to control the workers... it is more for political reasons."<sup>18</sup> This seems to come directly from the capitalist teaching books of Mahathir, who's *Permodalan Nasional Berhad* (PNB) created Malay private ownership under close government control in 1978.<sup>19</sup>

As in Malaysia, doubts about the political liberalizing role of the entrepreneurs arise. Indeed their efforts in political liberalization are hardly impressive, because their main interest has been to protect local markets against foreign competitors. Only the newly established mixed environment of state-controlled and private firms has provided an impetus for contacts with Southeast Asia. This is also due to the "changing of the guard" in both countries, where business-minded young politicians have taken over from old-fashioned bureaucrats. Many business opportunities arise from new technologies as telecommunication, multi media and computer sciences. The state-owned sector gives more and more way to private entrepreneurs and a *laissez-faire* capitalism which reminds one of the Thatcher years in Great Britain.<sup>20</sup> It is this environment which has fostered increasing contacts between both sides since approximately the year 2000.

### **The Business-Politician and His Beneficiaries: Linkages of the Private Sector**

By 2008, there are numerous examples that trade between the OIC (Organization of Islamic Conference) countries have taken up considerable speed. A sheer endless number of transactions within Islamic finance, Telecom, real estate and other sectors have been initiated between companies the Gulf states, Malaysia, Egypt, Turkey, Saudi Arabia and other OIC member countries. Only in one month, in May 2008, according to a report of the Dinar Standard newspaper, Abu Dhabi's Commercial Bank bought a 25 per cent stake in Malaysia's fourth largest lender, RHB Capital to participate in the rapidly growing Islamic banking market in the Middle East and Southeast Asia. In the same week, Malaysia's top bank, Malayan Banking bought a 15 per cent stake in Pakistan's largest listed lender MCB Bank for 680 million US\$, the largest ever by a foreign bank in Pakistan. And – again in the same week – the 5<sup>th</sup> Malaysian *Halal* Food Exhibition (Mihās) and the World *Halal* Food Forum have opened its door to conclude 300 million US\$ worth of deals in the quickly growing *halal* food industry market.<sup>21</sup>

According to the statistics of the World Bank, major Muslim economies, first of all Turkey, Saudi Arabia, Malaysia and Indonesia are driving a vastly increased intra-OIC trade. All four have undergone political and economic changes of a large scale, while Turkey has moved closer to the EU through multiple changes in its legislation, Saudi Arabia has tried to reform its political system, and Malaysia and Indonesia were in transition to a two-party and multi-party system, all this had a deep impact on a

significantly larger growth in trade with other OIC members. From 2003-2007 Malaysia has also been at the helm of the OIC countries since the 10<sup>th</sup> OIC meeting in Putrajaya, Malaysia, in October 2003. Former Malaysian Prime Minister Badawi had suggested from the beginning that modernization should occur through rapid development, a blue print of his predecessor's Mahathir Vision 2020. It is therefore not surprising that Malaysia is leading the inter-OIC trading trend with 19.2 per cent of all exports and 16.2 per cent of all imports compared to 11.9 and 10.5 per cent of its trade with the rest of the world. Still, other countries, Saudi Arabia for example – show a even larger percentage of trade with OIC members, which amounted to 15.65 per cent in 2007.<sup>22</sup>

This trend has led to interesting new developments in inter South-South-cooperation, where Malaysia and Turkey, even though far behind the well-known example of China, take a leading role in OIC trade with African countries, which are often neglected by the West because of their perceived lack of political reform, continued authoritarian regimes and tendency of corruption and nepotism. A development blue-print as the one of Vision 2020, rapid developmentalism under (a gradually relaxing) state control, allows Malaysia a much easier access to Africa, where many countries undergo a similar transitional phase of their industries from state to private as Malaysia itself. The fact that economic change is often followed by political liberalization, has been proven by numerous examples, from the opening up of China, Indonesia to Egypt, Turkey and countries of the former Soviet Union. For Malaysia, its trade with Chad, Gabon, Mali and Cameroon showed the biggest increase, while for Turkey its trade increased mostly with the African OIC members of Comoros, Uganda, Djibouti, Mozambique and Niger.

This growth trend is not only further stimulated by the mixed private and state environment of industries described above, which characterize many developing countries in the Muslim world, but a major infrastructure boom in the oil rich Gulf States has additionally contributed to this development, which sees OIC economies as Egypt, Malaysia, Turkey, Pakistan, Indonesia and Nigeria among the so-called “next-11” developing markets after India, China, Russia and Brazil.<sup>23</sup> Be it the business-politician in Malaysia or Egypt, the state oligarch in Russia, the communist capitalist businessman in China, or the clan-oriented oligarch in Kazakhstan or Uzbekistan, what these rapidly growing economies have in common, is a strong bond between the state and the private sector, which is additionally enhanced through organizational and institutional links that work very well towards international business networks of like-minded minds.

For example, further enhancement of this trend has come from a variety of existing and new forums promoting OIC based interaction. While the OIC has often been criticized as an inefficient talking club in terms of political reform, change comes now through the back door. The Islamic Development Bank has been the largest bank within the OIC to promote development projects. Apart from that, the rapidly expanding *halal* food sector, in which Malaysia again plays a leading role – which it also does in Islamic banking – has created a large array of related forums, which all promote OIC trade. The new Davos-styled annual World Islamic Economic Conference and the equally new World Islamic

Economic Forum (WIEF), established in March 2006, are all targeting a rapid intra-OIC growth.

Other initiatives have been launched both within the WIEF and outside. The Young Leaders Network (WYN) is targeting exactly the kind of young well connected business politicians that have merged from the NEP in Malaysia and from similar strategies elsewhere. Being well-connected to their respective governments, they gradually take over industries being privatized. Cheap credits are made available under the Islamic Development Bank (IDB) scheme which has been created by the WIEF-affiliated Universiti Teknologi Mara in Shah Alam, Malaysia, dealing mainly with young Muslim entrepreneurs and professionalism. Thus it is not surprising when the Secretary General of the OIC, Ekmeleddin Ihsanoglu, proposed a 20 per cent target growth for intra-OIC trade until the year 2015.<sup>24</sup>

With a rapidly developing consumer market and growing middle classes aiming for better living standards, Islamic banking, the *halal* food market but also energy are driving the trade between the OIC countries. In the two first ones, Malaysia plays an important role and is more and more becoming a hub with customers from the rich Gulf states, but also from Turkey, Pakistan, African and Central Asian states. Former Malaysian Prime Minister Abdullah Badawi launched the World Halal Forum in 2004 for the first time. In 2008 it took place in May of the year in Kuala Lumpur under the title "Sustained Development through Investment and Integration". The budget of all participating *halal*-economies is estimated to be around 80 billion US\$, a growth market that seeks to create a world-class *halal* food industry advocating Islamically compliant goods and services in close cooperation between industries experts as well as *shariah* scholars. The Islamic resurgence, once an instrument of the emerging middle classes in Malaysia to formulate their demands for participation in Malaysian politics in the 1980s, has reached a new stage where it reflects back from the "Islamic periphery" to the Arab heartlands. This is not only the case in a rapidly expanding Islamic food industry, banking sector, but also in a wide array of bilateral relations and organizational linkages.

### **Frying Your Own Halal Sausage: The Emerging Islamic Food Industry**

Malaysia has always been a hub where the flavors of the world meet. The ancient port of Melaka has been a spice trade center for centuries. After the September 11 attacks in 2001, Malaysia has made efforts to revive its traditional role by targeting to become one of the world leading centers of an Islamically- lawful (*halal*) food producing industry. A new Islamic consciousness, perhaps the "resurgence of the resurgence" among middle class consumers sets the stage for Muslim products. But not only locals are interested, in 2004, when the project was launched, the *halal* food market was already a growing 150 billion US\$ a year industry, of which Malaysia wants to acquire a 5 per cent share in the coming years, expanding it from one per cent at the beginning.

It has already opened four government-subsidized food manufacturing centers, which average 40 hectares each, and the government is setting up a technical committee to speed up and coordinate certification of *halal* products and services.

Food accounts for 20 per cent of trade among countries of the OIC. Since Malaysia does not specialize in the raw materials for food products, as Thailand does, it concentrates on processed and packaged food. Thailand, even though largely non-Muslim, is a strong competitor with Malaysia over the supply of *halal* products to major supermarket chains, as the French Carrefour. It is even said to be in a better position to tap the local and regional market because unlike its southern neighbor, its government has actively supported small and medium scale industries which are actively involved in food processing now.<sup>25</sup>

The first annual World *Halal* Forum was held in Kuala Lumpur in May 2006 in order to enhance knowledge and awareness of the concept of *halal* foods worldwide.<sup>26</sup> Rather than investing in multi-billion prestigious mega-projects, food processing seems to be more suited for a nation of 25 million – especially in view of the potential within the OIC and the framework of other developing countries. The global world food crisis which became imminent in 2008, has shown again, that Muslim countries and Malaysia in particular, have something to offer in the world food market. Many of the 57 OIC countries are still agriculturally centered economies that produce a large stake of the world's food commodities. These are also among the hardest hit by the food crisis.<sup>27</sup> But again Southeast Asia and Malaysia play a major role in knowledge transfer of food production technology. In Indonesia and Malaysia there have been huge opportunities for palm oil exports, the price has risen by 55 per cent in 2007. The success is also attributed to the fact that economies in the Middle East and Africa account for the least efficient ones in the OIC, Sudan, Nigeria, Algeria and Turkey are among the least productive. This is due to government mis-management and under-investment in the agricultural sector.

The fact that there are still enormous potentials within the OIC, are also due to the fact that the most affluent economies as the Gulf States, the UAE, Kuwait, Bahrain, Qatar, Saudi Arabia and Oman – all members of the Gulf Cooperation Council – are among the biggest food importers due to climate and water shortcomings. Similarly to developing linkages in other business areas, it is a mixture of emerging private sector investments and government initiatives that have accounted for recent changes: Kuwait has launched a “decent living fund”, a foundation of the Amir of Kuwait with a capital of initially 100 million US\$ in conjunction with a 300 million fund of the Islamic Development Bank's Poverty Fund. Other initiatives come from Abu Dhabi, Kuwait, Qatar and Saudi Arabia, programs and investments of the private sector of the Gulf States in the food processing market.<sup>28</sup>

### Generating Islamic Professionalism: Linkages of Islamic Banking

From Islamic sausage to Islamic banks it is only a short step. Islamic enterprises need Islamic banks to do business – but an Islamic private sector did not exist yet when Islamic banks first sprang up around the Islamic world, this was only a development of the later years from 1990 onwards. Islamic banking was from its beginnings a project to alleviate poverty and to spur development, as it was the case in the Philippines, where the Philippine Amanah Bank was set up in 1973 to develop the southern regions of Mindanao and Sulu. Other Islamic banks followed, the Nasr Social Bank in Egypt had been an initial model of a commercial bank which operated interest-free but without Islamic overtones which were detrimental to the political directions of the socialist regime. In Dubai, the Dubai Islamic Bank followed in 1975, the Faisal Islamic Bank in Sudan in 1977, finally the Islamic Bank in Malaysia in 1983.

But at that time it could not be foreseen that again Southeast Asia generally and Malaysia in particular would play a crucial role in developing Islamic banking to an extent where it would become a growth engine for the whole Islamic *ummah* and its transitional markets lingering between state ownership and privatization. International economic globalization since the humble beginnings of the year 1983 has received several boosts from the Malaysian side, which has made it one or *the* center of Islamic banking industries worldwide. In late 2002 a new multinational regulatory body was launched in Kuala Lumpur by government leaders and regulators from Southeast Asia and the Middle East: the Islamic Financial Services Board (IFSB), which took up the complicated task to create common standards for the diverse range of Islamic financial transactions.<sup>29</sup> Creating Islamic uniformity is very much in line with Malaysia's Islamic policies which have followed a trend during recent years to fully abide by conservative Wahhabi-inspired interpretations of the religion, be it in the relations between the sexes, consumption of alcohol, a strict interpretation in banning non-Islamic arts and culture, either of western or of Malay classical origin and so on. The uniformity and gradual obliteration of the influences of the four Islamic schools of law (*shafi'i*, *maleki*, *hanafi* and *hanbali*) comes at the expense of the former diversity of the Islamic Southeast Asian interpretation, which had always been open for other understandings of Islam and is now rapidly narrowed down by the Malaysian *jihadi* policy makers, spreading a streamlined outwardly "modern" but in reality conservative interpretation of Islam around the Muslim world.

It is not the ultimate fault of the Malaysian government, but indirectly the consequence of these kinds of development of Islamic uniformity combined with state authoritarianism, which does not allow for alternative voices to be heard, when Islamic banking is also growing at the political fringes. It is even entering the conservative mainstream, as in the case of the so far little researched Islamic offshore empire of the Egyptian Muslim Brotherhood which entertains linkages and networks all over the Muslim world. Mapping these networks which originate from Nassau, Bahamas<sup>30</sup>, has not drawn much attraction so far even though it is alleged that the Muslim Brotherhood uses bank and insurance

companies as covers for its official and un-official activities around the globe, including those in Panama, Liberia, Cayman Islands, Switzerland, Cyprus, Nigeria, Brazil, Argentina and beyond. It is this emergence of conservative networks of Islamic foundations, banks, insurances (*takaful*) with “terrorist” connection up to al-Qaeda, which threaten the position of the conservative Islamic state, being a brainchild of its own making.<sup>31</sup>

However it would be wrong to look at Malaysia’s conservatism only, the country has done a lot to move towards being a hub of Islamic finance, overtaking even more authoritarian and stagnant regimes as Egypt or Pakistan. Malaysia has for example build the biggest Islamic bond market in the world since 2001 and has come out with countless *shariah* regulations and has been the first to allow the issuance of unsecured Islamic bonds.<sup>32</sup> The four-year old (since 2004) Kuala Lumpur Business Club has also been set up with the intention to showcase Malaysia’s innovative markets and products in Islamic finance and to set up networks and linkages with the Middle East, Singapore and Indonesia. Serving as a voice of Malaysian Islamic *Bumiputera* entrepreneurs, it also represents one of Malaysia’s internationally most active Islamic banks, the CIMB Islamic Bank, which is a shareholder of PT Bank Niaga in Indonesia and has key regional offices in Singapore, Indonesia and Thailand.<sup>33</sup> At around the same time of the KLBC meeting held in Kuala Lumpur, the Asian Islamic Finance Bank, which is backed by leading Middle Eastern investors, first of all the Qatar Islamic Bank (holding 70 per cent of shares) has set up its first branch in Jakarta.<sup>34</sup>

These various initiatives make it clear that Malaysia has become a catalyst for change during the recent years. Much of what is now considered conventional in Islamic banking, has been “test-driven” by Malaysian Islamic institutions, much against the objections of conservative clerics in Saudi Arabia and the Gulf States. This impact of the financial industry shows a clear shift of power within the Islamic world’s balance of power, which has shifted from the Middle East to Southeast Asia. Increasingly, the Malay Middle classes that have emerged from the *dakwah* movement of the Islamic resurgence, offer a highly sophisticated Muslim workforce that co-exists with the global economy. Much to the anger of conservative Islamic circles in the Middle East - who talk of a Jewish conspiracy<sup>35</sup> - this vision of a “civilizational Islam” or *Islam Hadhari* and its representatives might have run out of steam at the home front where Prime Minister Abdullah Badawi has rather stalled the reform process.<sup>36</sup> Abroad – however – among many authoritarian, stagnant and even much less modernizing regimes all over the Muslim World, Malaysia’s economic rather than political example is one to follow for many aspiring modernizers in countries like Egypt, the Gulf and Pakistan.

To a much lesser extent, there also have been merging linkages between the Middle East and Indonesia, which - like Egypt, remains much more cautious towards Islamic banking in order not to encourage Islamic fundamentalism.<sup>37</sup> The market is small but growing in Indonesia, which fueled by the Gulf’s oil bonanza, has reached a total of one trillion US\$ in invested assets. To tap the growth in the world’s most populous Islamic nation, banks

as HSBC, Citigroup and Standard Chartered have formed boards to ensure Islamic compliance. But total assets in Islamic banking in Indonesia reach only five per cent so far, compared with the 12 per cent in Malaysia. Whereas Malaysia has already proclaimed itself to be an Islamic state in 2001, Indonesia is much more hesitant, even though Islamization in the provinces through decentralization reforms since 1998 have increasingly undermined the initially secular-minded constitution. In Egypt, Islamic banking is on the decline because of political reservations, leaving it to Malaysia and the Dubai to become the new hubs of Islamic banking.<sup>38</sup> The political implications that this spreading of an initially conservative Islamism has, are not yet foreseeable.

### **Bilateral Relations: Re-Inventing Southeast Asia on the Arab Map**

“Fish for Breakfast?” asks the renowned Egyptian newspaper *Al-Ahram* almost unbelievably, when looking at the habits of Southeast Asian students at Cairo’s universities.<sup>39</sup> It has been a long time since Malay students got into contact with Egypt’s education system, choosing religious subjects primarily – even though contacts can be traced back to the time of Muhammad ‘Abduh (1849-1905) in the late 19<sup>th</sup> century, they have always been perceived by the Arab side as the ones between Islamic heartland and the periphery. Only in the last years this has started to change, with strong bilateral ties developing between Egypt, the Gulf States, and mostly Malaysia, Singapore and Indonesia on the Southeast Asian side. As it is the case with the Central Asian states, trade and bilateral relations between Egypt and Malaysia have been boosted after a certain level of mixed private and non-privatized enterprises had been developed that allows for a healthy exchange of increasing contacts.

Apart from capital flows between the two countries, which had reached 700 million Ringgit from the Malaysian side by 2002<sup>40</sup>, it has been the people-to-people flows between both regions that have increased contacts. While Malaysia witnessed increasing numbers of tourist arrivals from Egypt in 2005, the yearly trade also sharply increased by 24.2. per cent in 2004 and 24.6 per cent 2005 with major joint ventures taking place between Egyptian and *Bumiputera* (Malay) under a preferential Tariff Scheme among OIC countries.<sup>41</sup>

Malaysia has rejuvenated the trade among the members of the Organization of Islamic Conference (OIC), which has been regarded as a ineffective talking club for many years. The Malaysian government used the 30<sup>th</sup> meeting of the OIC’s Islamic development Bank in Kuala Lumpur to push an agenda that would give the organization a more direct role in economic integration and development, letting the OIC make the same kind of transition the Association of Southeast Asian Nation (ASEAN) made one generation before from an organization of shared diplomatic interests into an agent promoting development and trade.<sup>42</sup>

What is emerging here is a principally different approach to bilateral relations that entirely redraws the map of favored North-south as envisioned by the West. A high

Egyptian diplomat observed that the West's diplomatic efforts in the Middle East – to buy democracy with development – are a cheap unethical bargain. The Asia-Middle East Forum instead, inaugurated by Singapore in 2005, is much more than an exercise in cultural exchange – it has overtly political overtones.<sup>43</sup> Singapore's administration promotes a very similar approach towards development as Malaysia does: It is no wonder that authoritarian Arab regimes find solace in Asia's semi-authoritarian and authoritarian regimes, Singapore's appeal that democracy should take root through evolution and not revolution resonates strongly through Asia and reflects Malaysia's Vision 2020 of development with "less" democratization, a very successful blueprint that it has adopted in its relations with Central Asia, the authoritarian regimes in Kazakhstan, Uzbekistan and Turkmenistan, and even more importantly, with Russia and China.

Singapore has made great efforts to re-invent itself on the Arab map: In early 2004 its Prime minister went on a ten-day-trip through the Middle East to advocate stronger trade relations. "Development through Trade" is exactly in line with Malaysia's of a quickly modernizing state and its bilateral relations, where political ASEAN-like non-interference is coupled with an ambitious development agenda. Singapore has traditionally been a Middle Eastern trading post, until now its "Little Arabia" quarters are reminders of these times.<sup>44</sup>

Despite their differing approaches towards democracy, countries like Egypt, the Gulf States, Malaysia, Singapore and even Indonesia remain staunch allies of the United States in their respective regions. It is true that investors in general still prefer stability over chaos and it is this dictum that Asian and Middle Eastern states very successfully try to sell. With change coming to Indonesia after 32 years of Suharto's authoritarian rule, the same seems inevitable for regimes like Egypt, Syria or Jordan, where a gradual transition in leadership has at least introduced the modernizing businessman-politician, very much akin to the developments in the Tiger States of Southeast Asia.

Singapore and Malaysia have therefore taken the initiative to work on a regional forum that emanates structural reform and economic growth through either the instrument of the OIC or through the Arab-Asia Forum which introduced several new initiatives in the tourism, education, trade and telecommunication sector during a meeting in Dubai in April 2007.<sup>45</sup> Another initiative, the Young Arab Leaders Global Action Forum has been jointly organized by Jordan and Singapore in order to set up a young business-minded leadership which is not so much policy- but trade-oriented.<sup>46</sup> Singapore's trading ambitions are mostly concentrating on the Gulf States and the members of the GCC (Gulf Cooperation Council), Kuwait, Qatar, the UAE, Oman, Bahrain and Saudi Arabia. 11 per cent of the more than 1.5 trillion US\$ earned in exports from 2002-2006 by the GCC members eventuated in Southeast Asia. In 2005 and 2006 the GCC announced investment projects in Asian infrastructure amounting to more than 155 billion US\$. Singapore is also aggressively competing with Malaysia and Indonesia over the Islamic market, both in Islamic banking as in the *halal* food industry.<sup>47</sup>

The policies of the three Southeast Asian nations remain consistent with US foreign interests, the strongest partner of Singapore within the GCC, Saudi Arabia, and also Jordan, are the US' strongest allies in the antiterrorism front. This is according to the belief of Singapore and Malaysia that development is the best medicine against religious extremism – it is mainly the “how” of implementing such policies which separates the two from the West. The example of Iraq and Afghanistan stand here against long-term change in formerly stagnant regimes as Saudi Arabia, Syria or Egypt, in all of which the winds of change have undeniably started to blow.

The then Malaysian Prime Minister Abdullah Badawi had gently shifted his approach from heavily state-sponsored mega projects to the development of human capital before he stepped down in March 2009.<sup>48</sup> This idea has been at the heart of Malaysia's chairmanship of the OIC from 2003-2007 and also addresses the problem of religious extremism: Alienation and disenchantment must be addressed – while this might hold true for Malaysia's foreign policy initiatives, it is still the big question on how it differs at the home front from its authoritarian newly found friends as Egypt, Saudi Arabia or Uzbekistan.

## Conclusion

The relationship between the Middle East and Southeast Asia has for many centuries been characterized as the one between the recipient East and the dominating West, first of all in terms of Islam. Muslim traders, saints, Sufis and teachers have come from the Middle East and have disseminated a scriptural form of Islam which until recently has not transformed the highly syncretistic Hindu-Buddhist form of local folk Islam. The two waves of Islamic “resurgences” at the end of the 19<sup>th</sup> and 20<sup>th</sup> century have brought about new “reformist” Islamic ideas which at core are conservative in nature and transformed Malaysia into a society which is characterized by highly conservative Islamic morals and values.

However, many Middle Eastern regimes are even more politically stagnant and conservative as Malaysia, this factor coupled with a very active Islamic entrepreneurship and the promotion of the capital of labor by the Badawi administration has made Malaysia a new hub in the transfer of knowledge and modernization in the Islamic world. From *halal* food processing to Islamic banking and numerous forms of trade, telecommunication, energy exploration and tourism, Malaysia has turned to be the center of a new Malay trading class of entrepreneurs that actively promotes Islam and is heavily supported by the state. These features have also emerged in other countries, from Egypt to the Gulf States to Central Asia, businessmen-politicians have taken over policy making, favoring a developmentalist approach in which rapid modernization and a strong state compete with the Western model of democratization by regime change.

Both Malaysia and Singapore, as its partners in the Islamic world plus Russia and China oppose the Western example and have started a very successful alternative model of

networking and South-South and East-South linkages that are in line with Malaysia's Vision 2020, development and modernization and semi-authoritarian or authoritarian regimes. Also Singapore, Brunei and Indonesia are actively involved in this new knowledge transfer and compete aggressively with Malaysia over a remodeling "new Eastern century" according to its main principles of Islam, development and "guided democracy".

## Endnotes

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<sup>2</sup> Zachary Abuza, *Political Islam and Violence in Indonesia*, Abingdon: Routledge, 2007.

<sup>3</sup> Omar Farouk Bajoune, *The Arabs in Southeast Asia, a Preliminary Overview*, *Hiroshima Journal of International Studies*, 2-2, 1996, pp. 21-38.

<sup>4</sup> Huub de Jonge and Nico Kaptein (eds.), *Transcending Borders, Arabs, Politics, Trade and Islam in Southeast Asia*, Leiden: KITLV Press, 2002.

<sup>5</sup> William Gervase Clarence-Smith, *Middle Eastern Entrepreneurs in Southeast Asia 1750-1940*, London: SOAS, no year.

<sup>6</sup> Syed Hussein al-Attas, *The Myth of the Lazy Native*, Kuala Lumpur: Pelanduk, 1977.

<sup>7</sup> See the paper of Mona Abaza, *More on the Shifting Worlds of Islam. The Middle East and Southeast Asia: A Troubled Relationship?*, *The Muslim World*, July 2007, Vol. 97, Issue 3, pp. 419-437.

<sup>8</sup> Mona Abaza, *op. cit.*, p. 420.

<sup>9</sup> Mona Abaza, *op. cit.* p. 422.

<sup>10</sup> Farish A. Noor, *The Localization of Islamic Discourse in the Tafsir of Tuan Guru Nik Aziz Nik Mat, Murshidul Am of PAS*, in: Virginia Hooker and Norani Othman (eds.), *Malaysia: Islam, Society and Politics, Essays in Honour of Clive S. Kessler*, Singapore: Institute of Southeast Asian Studies, 2003, pp. 195-235.

<sup>11</sup> Anthony C. Milner, *Kerajaan, Malay Political Culture on the Eve of Colonial Rule*, Tucson, Arizona: University of Arizona Press, 1982.

<sup>12</sup> See Edmund Terence Gomez and Jomo K. S., *Malaysia's Political Economy, Politics, Patronage and Profits*, Cambridge: Cambridge University Press, 1997, p. 169, 173-176.

<sup>13</sup> Khoo Boo Teik, *Mahathir Mohamad: A Critical Study of Ideology, Biography and Society in Malaysian Politics*, PhD thesis, Flinders University, 1994, p. 150.

<sup>14</sup> National Center for Policy Analysis, Idea House, "Privatization: Privatization Trends in Developing Countries", 1997.

<sup>15</sup> See the analysis of authoritarian developing states and the case studies of Egypt, Malaysia and Iran by Jason Brownlee, *Authoritarianism in an Age of Democratization*, Cambridge: Cambridge

University Press, 2007, especially chapter 4, "Ruling Parties and Regime Persistence: Egypt and Malaysia during the Third Wave", pp. 122-156.

<sup>16</sup> Mona Abaza, op. cit. p. 421 where she argues that Egyptian institutions of higher learning have traditionally adopted the North-south rather than the West-east approach.

<sup>17</sup> Omayma Abdel-Latif, *Political Business*, Al-Ahram Weekly, 7-13 June 2001, Issue No. 537.

<sup>18</sup> See footnote 15. Citation: Munir Fakhri Abdel-Nour, head of the Wafd party bloc in parliament.

<sup>19</sup> Edmund Terence Gomez, Jomo K. S., op. cit., pp. 34-37.

<sup>20</sup> Pascale Ghazaleh, *The Changing of Guard*, Al-Ahram Weekly, 5-11 October 2000, Issue no. 502.

<sup>21</sup> Rafi-uddin Shikoh and Maria Zain, *Malaysia, Turkey and Saudi Arabia Driving Increased Intra-OIC Trade*, Dinar Standard, 28 May 2008.

<sup>22</sup> International Monetary Fund's Direction of Trade Statistics, 2007-2008.

<sup>23</sup> Miriam Elder, Joe Leahy, et. al., *Who's Who, BRIC Leaders Take Their Place at the Top Table*, Financial Times, London, 25 September 2008.

<sup>24</sup> Capitalising the Economic Potential of Muslim World will Take Centre-Stage at the Second World Islamic Economic Forum, TMCnet news, 5 September 2006.

<sup>25</sup> Ioannis Gatsiounis, *Halal, Malaysia's Next Sacred Cow*, Asia Times, 19 June 2004.

<sup>26</sup> Sajjad Chowdhry, *Seeking Innovation at the World Halal Forum – Kuala Lumpur*, Dinar Standard, 20 July 2006.

<sup>27</sup>

Country	Agricultural Output Value in US\$ Million	Agriculture Value added (% of GDP)	GDP per capita (PPP) in US\$
Bangladesh	39 369	19	1 400
Sudan	25 509	32	1 900
Nigeria	52 410	18	2 100
Pakistan	84 851	21	2 400
Indonesia	116 431	14	3 600
Syria	21 689	24	4 700
Egypt	55 945	14	5 000
Iran	68 661	9	11 700
Turkey	75 997	9	12 000
Malaysia	30 702	9	14 500

World Bank, World Development Indicator, 2007.

<sup>28</sup> Rafi-uddin Shikoh and Shuriah Niazi, *Global Food Crisis: A Bowl of Opportunities for Muslim World*, Dinar Standard, 3 November 2008, p. 7.

<sup>29</sup> *A Spur for Islamic Finance*, Country Monitor, 11 November 2002, vol. 10, issue 44, pg. 6.

<sup>30</sup> Based on early Brotherhood records, the "founding fathers" were Ibrahim Kamel, a founder of Dar al Maal al Islami Bank in Nassau, Yousef Nada, Ghalib Himmat and Yusuf-al-Qaradawi, the well-known and controversial Islamist, and the Bank al-Taqwa structure in Nassau and Idriss Nasreddin and his Akida Bank International in Nassau, Bahamas.

<sup>31</sup> See more details, also the involvement of Saudi banks and foundations, the Muslim Brotherhood and Malaysian banks and Islamic groups as PERKIM in international Islamic financing and recruiting of disciples in: J. Millard Burr, *Alms for Jihad, Charity and Terrorism in the Islamic World*, Santa Barbara: University of California, 2006, among others pp. 57-76 (Saudi Arabia) and "From Afghanistan to Southeast Asia", pp. 183-210. The Malaysian PERKIM was accused to have sponsored Thai Islamist separatists by donations amounting to 120 000 Ringgit from the

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PERKIM Kelantan branch in 2004. See: John Funston, *Thailand's Southern Fires: The Malaysian Factor*, UNEAC Asia Papers, No. 26, 2008, pp. 55-67.

<sup>32</sup> Cris Prystay, *Malaysia's Islamic Banking Boom, After Nurturing Specialized Market, Nation Carves Role as Global Hub*, Asia Wall Street Journal, 10 August 2006, pg. 1.

<sup>33</sup> *Islamic Finance Must Assume its Rightful Place in the Global Financial System, Says Kuala Lumpur Business Club (KLBC) President*, Middle East Company News, 4 November 2007, pg. 1.

<sup>34</sup> *Asian Finance Bank Opens Jakarta Office*, New Straits Times, 7 December 2007, pg. 50.

<sup>35</sup> Ayesha Ahmed, *Islamic Dawah: A Jewish Scam to Milk Muslims*, Islam Watch, 9 January 2008.

<sup>36</sup> Clive S. Kessler, *"Islam Hadhari" – A Still-Born Child?*, Asian Analysis, June 2007.

<sup>37</sup> It is therefore, no wonder, an Indonesian political magazine, Gatra, which has reported about the reservations of the Egyptian government towards Islamic banking as a door-opener for Islamic extremism: *Sayap Lebar Bank Alternatif*, Gatra, 14 April 2003. See also: *Islamic Banking Fails to Make Dent in Egypt*, Gulf News, 8 October 2007.

<sup>38</sup> Lahem al Nasser, *Islamic Banking in Egypt*, Asharq al-Awsat, 25 August 2008.

<sup>39</sup> Gamal Nkrumah, *Fish for Breakfast?*, Al-Ahram Weekly, 28 October -3 November 2004, Issue No. 714.

<sup>40</sup> Fauziah Ismail, *Boosting Trade, Investments*, Asia Africa Intelligence Wire, 23 July 2002.

<sup>41</sup> *Two-Way Flow of People to Promote Malaysia-Egypt Relations*, Bernama, 22 March 2006.

<sup>42</sup> Wayne Arnold, *Malaysia Works to Sell Islam on Trade Benefits*, Herald Tribune, 23 June 2005.

<sup>43</sup> Inaugural Asia-Middle East Dialogue, Closing Summary by Prof. Tommy Koh, Chairman of the Inaugural Asia-Middle East Dialogue, Singapore, 22 June 2005.

<sup>44</sup> *Singapore-Middle East Relations – Mid-East Flavors in Singapore*, AMED, Asia-Middle East Dialogue, Singapore Ministry of Foreign Affairs, 2005.

<sup>45</sup> *Arab-Asia Forum in Singapore Agree to Work on 10 Joint Initiatives*, Middle East Company News, 28 April 2007.

<sup>46</sup> *Arab and Asian Leaders Seek Common Values at Young Arab Leaders Global Action Forum*, Middle East Company News, 28 April 2007.

<sup>47</sup> Andrew Symon, *Singapore Courts the Sheiks*, Asia Times, 3 August 2007.

<sup>48</sup> *Prime Minister Badawi's Progressive Blend of Islam and a High-Growth Economy; at Home and Abroad, Malaysian Leader Places Emphasis on Development of Human Capital*, PR Newswire, 27 February 2008.