

The Evolution of the Malaysian Diplomatic Relation with West Asia: Special Reference to Malaysia-Qatar Relations

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Abstract

Malaysia's foreign policy has traditionally focused on Southeast Asia and its friends in the West. West Asia was not a priority in its foreign policy despite the long established historical, social, and religious connection between Malaysia and the region. It was not until April 1965 that Malaysia began to develop closer cooperation with members of the Organisation of the Islamic Conference (OIC). The OIC was established with the fundamental purpose of strengthening the solidarity and cooperation among the 59 Members States. Malaysia values its participation within the OIC as part of its foreign policy strategy with other Muslim countries. During the 2003-2007 period, Turkey, Saudi Arabia, and Malaysia were the three largest Muslim majority economies registering significantly larger growth in trade with OIC member countries than with the rest of the world. This paper examines factors shaping Malaysia-West Asia international relations through the perspective of social capital networking with a focus on establishing an 'ummah network' between Malaysia and West Asia.

Index terms— malaysia-west asia diplomatic relation, malaysia-qatar relation, ummah network.

1 Introduction

he relationships between Malaysia and countries in West Asia have been evolving in the political, economic, social, as well as cultural fields. Relations have been enhanced through a shared history and religion. Malaysia's political stability, economic progress, and its image as a progressive Muslim country have attracted the attention of many countries in West Asia to reinforce their relations with Malaysia. In its most basic definition, international relation or foreign policy is the policy of a sovereign state in its interactions with other sovereign states. It is a policy that a nation pursues in its dealings with other nations designed to fulfill its national objectives. Essentially, foreign policy can be defined as goals that a nation seeks to attain abroad, the values that give rise to those objectives, and the means and instruments used to pursue them. A state's foreign policy is determined by both domestic and external factors, which may change from time to time, thus forcing it to review its foreign policy to ensure that it operates in the best possible conditions to achieve those objectives. Malaysia's Author: e-mail: cottring@yahoo.com determined by the need to balance the domestic factors and the external demands of international politics.

In general, Malaysia has good and stable political relations with countries of the region, not only because of religious affinities and historical connections, but also because of the geographical distance between them, which reduce the possibility of political and strategic interferences. Malaysia's relations with the region have been fostered through bilateral and multilateral means. It has strong bilateral relations with major countries in West Asia such as Saudi Arabia, Egypt, United Arab Emirates, Qatar, Oman, and Iran. Malaysia is also a strong supporter of OIC and has established close rapport with its members. In recent years, the scope and content of Malaysia-West Asia relations have increased both at the official state-to-state level as well as in the private sector level. This has become more visible since the event of September 11, 2001.

2 II. The Premise of Malaysia's Foreign Policy

Since Tunku Abdul Rahman Putra al-Haj, Malaysia's foreign policy has consistently been premised on national interest, pragmatism, and adherence to the principles enunciated in the Charter of the United Nations.

Malaysia's former Minister of Foreign Affairs, Dato' Seri Hamid Albar characterised Malaysia's foreign policy as "principles with rests on the values of humanity, justice and equality" and "recognizes diversity and pluralism which makes up the mosaic of the nation and the international community". ?? Malaysia's foreign policy has shifted from the staunchly pro-West position in the 1950s and 1960s to a policy of non-alignment in the 1970s beginning with Tun Abdul Razak's administration. Since then, Malaysia has continued with this foreign policy stance. The coming of Tun Dr. Mahathir Mohamad to power in 1981 brought a significant change in Malaysia's foreign policy who sought to keep foreign policy under his close control. ?? During his period, ASEAN was ranked first, followed by the Islamic countries in second position, and thirdly by the Non-Aligned Movement (NAM).

Tun Dr. Mahathir wanted to enhance Malaysia's role in international affairs through an assertive and active foreign policy, summed up as a foreign policy of "active internationalism". His successes are seen in the growing recognition accorded to Malaysia by several international organisations by the latter half of the 1980s. 3 Tun Dr. Mahathir was an outspoken leader and conducted his diplomacy with a heady mixture of high profile and plain speaking compared with the cautious foreign policies and the discreet ways of previous Malaysian administrations. He was critical of almost everybody-the West, the developing countries, as well as his fellow Muslims, although he more often 'identified Malaysia with other developing countries'. Some contended, "Tun Dr. Mahathir's diplomacy seemed destined to lose friend if not designed to gain enemies". 4 Since the departure of Tun Dr. Mahathir as PM, Malaysia has adopted a 'quiet and soft diplomacy' rather than a combative approach. When he resigned in October 2003, as the new Prime Minister Tun Abdullah Ahmad Badawi, Malaysia's foreign policy become more measured without losing sight of Malaysia's national interest. According to him, "a good foreign policy will make other countries comfortable in dealing with Malaysia".

His critical views on the weaknesses of West Asia did not endear him to the Arab governments, and he was definitely popular among Arab 'streets'. 5 Malaysia's foreign policy should not be a static doctrine?it must always be a dynamic instrument 6 Tun Abdullah's top foreign policy was the East Asia Summit process (EAS), which would eventually lead to an East Asian Community. He also mended relations with Australia which became frosty during Tun Dr. Mahathir's administration. while staying true to its principles.

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4 III. The Significance of West Asia

When Tun Abdullah stepped down in April 2009, the premiership was handed over to Dato' Seri Mohd Najib Tun Abdul Razak who has visited many countries, including ASEAN countries, China, United Arab Emirates (UAE), Qatar, Kuwait and many other countries in West Asia.

West Asia is a theatre in which the struggle for resources and global supremacy continues to be played out. The United States, Europe, China, and Russia have been traditionally interested in West Asia for political, 3 Ibid., p.78. 4 Ibid., p.79. 5 Mokhtar Selat, *New Direction in Malaysia Foreign Policy*, op.cit., p.24. 6 Ibid. 7 Ibid., p. 25. economic, and strategic reasons, particularly its huge energy resources.

West Asia and North Africa accounts for 60.4% of global oil and liquid natural gas reserve. 8 Over the years, countries in West Asia have experienced enormous economic growth and have become important sources for both finance and investment. Saudi Arabia, UAE, Qatar, and Kuwait have been at the forefront of growth with expanding infrastructural development programmes. Trade and investments between Malaysia and the region have been encouraging these past few years.

It is also strategically and politically crucial to the West, especially to the US because of Israel is in the heart of the region. Countries such as Iran, Turkey, and Syria have also emerged as important geo-strategic players in the region.

The designation of geo-strategic players are neither permanent nor fixed, which may increase the potential for regional political instability and rivalry. Changes in the status of a regional player would represent major events and involve shifts in the distribution of power. Iraq for example, used to be an important geo-strategic player in the region, but has been weakened and is presently recovering from political instability in the aftermath of the dismissal of Saddam Hussein and the US occupation in 2003.

5 9

IV. An Overview of Malaysia-west Asia International Relations Early relations between Malaysia and West Asia evolved around the religion of Islam which continued to shape their interactions throughout the centuries. It was through Islam that the Malay society was exposed to the political and social developments in major West Asian countries such as Saudi Arabia, Egypt, and Turkey. Developments in these countries, especially in the early 20th century, influenced many Malay thinkers and religious elite. Saudi Arabia and Egypt have long been favourite countries for Malays to study. In addition, interaction with Saudi Arabia has always been important because of the pilgrimage to Mecca by Muslims.

102 British colonial power in the 18th century gradually changed the focus of the Malay elite and intellectual
103 class from West Asia to the West. After the Second World War, Western educated groups dominated Malaysian
104 administration and politics.

105 However, Islam continues to play a role in shaping Malaysia's position on many international issues especially
106 those related to the Muslim world. There has been a conscious effort on the part of the Malaysian government to
107 develop a strong consciousness membership of a global Islamic brotherhood. Because of its long established
108 relations with Malaysia and the religious affinity, West Asia occupies an important position in Malaysia's
109 conception of the Muslim world. In recognition of Malaysia's effort to promote solidarity among Muslim countries,
110 its first Prime Minister, Tunku Abdul Rahman Putra al-Haj was nominated as the first Secretary-General of OIC
111 after his retirement in 1970. 10 Under Tun Dr. Mahathir's administration, Malaysia identified itself as an Islamic
112 state in its foreign relation. During April and May 1983, in order to promote the causes of South-South dialogue
113 and encourage more direct trade with other countries, ??1 Turkey has always been a major trading partner of
114 Malaysia. During June 2003, the visit of Turkish Prime Minister, Recep Tayyip Erdogan to Malaysia further
115 enhanced the existing relationship between both countries. Not only was the bilateral relations between both
116 countries improved, Turkey also aimed to boost bilateral trade between both countries to U.S. \$1 billion a year.
117 In 2007, Turkey was ranked 6th in the top OIC trading partners of Malaysia.

118 Tun Mahathir paid official visits to Turkey among other Muslim countries. Besides that, Turkey was also one of
119 the few Muslim countries with whom Malaysia's joint commission agreements were extended by his administration
120 to include political matters.

121 12 As for the UAE, to broaden Malaysia's international contacts, in 1975, then Prime Minister, Tun Abdul
122 Razak boosted relationships by visiting Gulf States. 13 According to Dato' Mubin Razali, Malaysia Ambassador
123 to the UAE, both countries not only share common aspiration and views at international and regional levels,
124 they also share close and good cooperation within international organisations such as the UN, NAM, and OIC.
125 Ties between Malaysia and UAE had been growing in mutual confidence. The bilateral relations between both
126 countries are particularly strong in trade and commerce. 12 Shikoh & Zain, M, 'OIC Trade", op.cit. 13
127 Jeshurun,C. Malaysia Fifty Years of Diplomacy, op.cit. p.219. 14 West Asia and Gulf governments sought
128 new markets for both their capital and hydrocarbon exports that would deliver higher returns than they could
129 get with their traditional Western partners. They also sought opportunities for education, leisure, and advanced
130 medical care that were world-class but cheaper than those in the West, and in a place where their religious
131 values would be respected. For their part, Malaysian leaders and other Southeast Asia's Muslim leaders hoped
132 that greater Gulf and West Asia trade could help balance China's growing influence, mitigate declining Western
133 markets, and promote growth.

134 In the eyes of West Asia and Gulf leaders, the emergence of Iran and Muslim Brotherhood in Egypt can be
135 regarded as another factor that reinforced their need for new friends, particularly from among Muslim countries
136 in Southeast Asia.

137 The networks that have shaped links between West Asia and Southeast Asia reflect centuries of intellectual
138 exchange and travel between the Muslim of Southeast Asia and the wider West Asia. These intellectual and
139 religious ties, however, were not matched by extensive commercial ties, especially in the twentieth century. While
140 West Asian and Gulf countries contributed generously to religious institutions in Southeast Asia in the twentieth
141 century, they made few investments in the region's economy, still preferring safer opportunities in the West.

142 The Arab Malaysia Development Bank observed in 1979 that religion factored little into the economic decisions
143 of the West Asia and Gulf business groups and leaders. 16 When the West Asia and Gulf states "redesigned" their
144 focus toward Asia and Muslim countries in Southeast Asia, that process began with an advertising campaign on
145 al-Jazeera and other West Asia broadcast networks that featured images of modern cities of West Asia nations
146 with the catchy phrase, "Malaysia- Truly Asia." 17 The advertising campaign branded Malaysia as a tropical
147 paradise, a nexus of Asian cultures, and a nation that blended modernity and Islam in a way West Asia and Gulf
148 Muslims could emulate. 18 For Muslims in West Asia and Gulf States, Malaysia was an attractive alternative
149 destination to Western countries for education, healthcare, investment, and leisure, especially after the 9/11
150 attacks and the 2008 global financial crisis. 19 Malaysia also offered two additional benefits: an entryway to
151 Indonesia and the other growing economies in Southeast Asia and a way to check the growing influence of Iran
152 in the region. 20 Among the most important indicators of the West Asia and Gulf states shift to the Malaysia
153 and other Southeast Asian nations was business trade. Between 1996 and 2001, Malaysian-West Asia and Gulf
154 trade rose from U\$ 1.6 billion to U\$ 14.5 billion, while trade with Indonesia grew from U\$ 2.3 billion to U\$
155 5.9 billion. 21 Malaysian exports to West Asia and the Gulf rose from U\$ 1.2 billion in 1999 to over U\$ 6.3
156 billion in 2011, Although the steep rise in petroleum prices and Indonesia's declining supplies of petroleum help
157 explain part of the surge, Southeast Asia exports to West Asia and the Gulf played an important role in trade
158 for the first time in many years. 22 while Indonesian exports to West Asia and Gulf states nearly doubled,
159 from U\$ 1.2 billion in 1999 to U\$ 2.3 billion in 2009. 23 The growth in bilateral trade reflected increasing
160 commercial and diplomatic ties between West Asia and ASEAN. 24 Since 2009, senior ministers from both GCC
161 and ASEAN have meet annually, and there was a fivefold increase in trade from 2004 to 2011 among member
162 states. 25 We also find that many well-known financial companies based in West Asia and the Gulf such as
163 the Al-Rajhi Bank, Kuwait Finance House, the Islamic Development Bank, Abu Dhabi National Energy & Gulf
164 Investment, and the Qatar Islamic Bank have established footholds in Southeast Asia. 26 17 Please refer to

165 <http://www.youtube.com/watch?v=pEEkFyIo9Ly>. 18 This advertising campaign was initially intended to stress
166 Malaysia's position in Asia and to downplay the nation's Islamic roots. 19 Malaysia Economic News. 2010. 20
167 Mellisa Chi. 2011. "Malaysia, the Perfect Bridge for Iranians to Escape Hom", The Malaysian Insider, October
168 26, 2011. 21 Compilation of statistics drawn from statistics available from the International Monetary Fund,
169 Director of Trade Statistics (DOTS). 22 Ibid. 23 Ibid. 24 The Saudi Gazette. 2011. "GCC, ASEAN Step Plans
170 to Enhance Economic Ties", July 27, 2011. 25 Ibid. 26 In 2006, Qatar's al-Jazeera opened a regional bureau in
171 Kuala Lumpur. 27 In addition, Saudi investor poured US\$ 733 million into Malaysia in 2011, making the kingdom
172 one of its top foreign investors. 28 UAE investments in Malaysia also reached nearly US\$ 2 billion. 29 In Indonesia,
173 Saudi Arabian businessmen are some of the top foreign investors, having invested nearly US\$ 8 billion since 2007.
174 30 By 2011, Saudi Arabia's Dubai Saudi Telecom invested US\$ 1.2 billion in Indonesia's Axis. 31 In 2009, the Bin
175 Laden Group announced a US\$ 4.3 billion project to develop 2 million hectares of land in Indonesia to grow rice,
176 while Oman GFIIH Global Financial invested US\$ 335 million in rice and palm oil in Indonesia. 32 West Asia and
177 Gulf countries have also invested heavily in Islamic banking in Malaysia and Indonesia and in Malaysia's Takaful
178 market. 33 Between 2007 and 2010, Malaysia invested US\$ 4.5 billion in Saudi Arabia. Around 80 Malaysian
179 companies operate in the Kingdom and Malaysia's Federal Land Development Authority in 2009 became the first
180 foreign entity to be given a license to form a 100 percent foreign-owned company in Saudi Arabia.

181 Together, Malaysia's Islamic finance and Takaful markets are second in size to Saudi Arabia. 34 Malaysia also
182 has US\$ 100 million worth of investments in the UAE. 35 Malaysian companies have secured contracts worth US\$2.5
183 billion for Qatar's World Cup preparations for 2022, 36 and have secured several projects in Saudi Arabia. Among
184 the most important are a US \$30 billion contract for the Jizan Economic City in Jizan Province, in addition to
185 another US\$ 200 million Malaysian Mall in Jeddah, and a US\$5.6 billion contract for the Jabal Omar project to
186 improve accommodations for Hajj in Makkah. The leaders of Muslim countries in Southeast Asia believed that
187 the ties between two regions which based on the ummatic belonging reaffirmed their Islamic identity and links
188 to the wider Muslim world. They also promised economic growth in a period of global instability and balance
189 against China, whose rise is at once welcomed as a way to check Western hegemony but which also threatens
190 domestic and regional political balances in Southeast Asia.

191 Malaysia and Indonesia maintain extensive commercial links to China, have important populations of Chinese
192 descent, and control international seaways vital to Chinese commerce. In fact, Malaysia claims a portion of the
193 South China Sea; the July 2012 meeting of ASEAN foreign ministers collapsed because of disagreements over
194 Chinese claims to the strategic waterway. 38 Although West Asia and Gulf countries' relation with Southeast
195 Asia is set to grow, but the Southeast Asia bilateral trade with West Asia and the Gulf is still smaller than its
196 West Asia and GCC bilateral trade with China, Europe, Japan, and the United States. Although the number
197 of West Asia and Gulf tourists have grown rapidly in recent years, that number represents only a fraction of the
198 seven million tourists annually from West Asia and the GCC countries.

199 For West Asian and Gulf leaders, Southeast Asia offered an alternative partner to a still economically stagnant
200 West and strategic allies in the Muslim world to replace those that collapsed during the Arab Spring revolution.
201 In addition to that, Indonesia and Malaysia could help to offset domestic instability and the rise of Iran and
202 Ikhwanul Muslimin in the Muslim world, both of which are mistrusted by West Asia and GCC governments. 39
203 Although the number of West Asia and GCC students in Southeast Asian universities has risen, there are now
204 50,000 Saudis studying in the United States-many more than in Indonesia and Malaysia. 40

205 6 VI. Malaysia-Qatar Diplomatic Relation

206 The diplomatic relation between Malaysia and Qatar was inked through an agreement in 1974. 41 38 The
207 Economist. 2012. "Asean in Crisis: Divided We Stagger: Can Indonesia Heal the Deepening Rifts in
208 Southeast Asia," The Economist, August 18, 2012. 39 Thanks to the ever-increasing brotherhood-like relationship
209 between the leaders of the two nations and the rising trade-tourism activities, both Malaysia and Qatar grew
210 simultaneously.

211 The State of Qatar has also initiated the Islamic Summit Meeting for Cooperation of Muslim Countries in Doha
212 in November 2000. Malaysia initiated the same summit in October 2003 in Kuala Lumpur. By September 2004,
213 both nations agreed to run their embassies in each other's countries with residence representative-a significant
214 milestone for their diplomatic and trade activities. 42 The close personal relation between leaders of two countries
215 has resulted in the exchange of visits between these leaders which first began in May 2010 and the following visit
216 in December 2011. The arriving kingdom's delegates in Kuala Lumpur were His Highness Amir Walid, and
217 Qatar's former Prime Minister and the Minister of Foreign Affairs, Sheikh Hamad bin Jasim bin Jabir al-Thani.
218 Malaysian Prime Minister, Dato' Sri Mohd Najib Tun Abdul Razak fulfilled the kingdom's invitation by visiting
219 Doha in May 2011.

220 As an active member in NAM and OIC, both Malaysia and Qatar have enjoyed similarities in views and stand
221 on foreign political issues, especially with their 'moderate foreign policy' approach towards providing a peaceful
222 resolution to the conflicting parties in the Muslim world.

223 7 VII. The Achievement of Diplomatic

224 Relation between Malaysia and Qatar

225 His Highness has conducted a fruitful discussion on bilateral relations with Dato' Sri Mohd Najib, and both
226 leaders committed to find ways to further bolster ongoing cooperation in all fields.

227 Following the successful opening of the Qatar Embassy in Kuala Lumpur in 2004, key milestones as listed
228 below have been achieved to uplift greater diplomatic and economic ties between the two nations. High impact
229 agreements and memorandums of understanding (MOUs) that have been signed includes: 1. Agreement to
230 Avoid Tax Duplication in the year 2008, 2. Agreement of Trade Cooperation in 2009, 3. The Agreement on
231 the Establishment of a Joint Economic Cooperation, 4. Memorandum of Understanding Between Qatari Diar
232 and the KLCC Company, 5. Memorandum of Understanding Between the Qatar Foundation for Investment
233 and the Foundation for Investment Malaysia Bhd. 45 In addition, some ongoing agreements to be accomplished
234 include: 1. Agreement on the 42 Ibid. 43 Ibid. 44 47 With regard to the Qatari Public Diplomacy Relations,
235 the ambassador himself has exerted tremendous effort in establishing close relationship and cooperation between
236 him and the Malaysian Ministries, senior officers, as well as members of parliament. This development has
237 certainly allowed better positioning of by the Qatari, covering various field of international issues and enables
238 them to facilitate ongoing cooperation including the possibility to engage with different state governments within
239 Malaysia.

240 The Qatar Embassy is currently working on a follow-up to the completion of establishing the Malaysian-Qatar
241 Business Council project in both countries in order to encourage their respective private sectors to cooperate
242 in joint ventures, especially involving construction and other sectors. 48 As far as the Qatar Embassy consular
243 services in Kuala Lumpur are concerned, the embassy seeks to provide all types of services needed by the Qatari
244 citizens who visit Malaysia,. The embassy also works on the documentation and certification of commercial
245 transaction and other corporate needs of the citizens of these two friendly countries. 49 VIII. Exploring the
246 Beneficial Malaysia-Qatari Partnership

247 In the 2013 alone, Qatari tourists to Malaysia numbered 7264.

248 According to the statement issued by the Malaysian Ministry of International Trade and Industry on February
249 23, 2004, the Malaysian Trade and Investment 46 Ibid. 47 The Embassy of the State of Qatar in Kuala Lumpur,
250 op.cit. 48 Ibid. 49 Ibid.

251 Mission to West Asia will select Qatar as its first destination followed by UAE and Saudi Arabia. 50 On the eve
252 of the 51st anniversary of Malaysia's independence on August 31, 2008, the Malaysian Ambassador to the State
253 of Qatar, Dato' Shahrul Ikram invited Qatari companies to take the huge opportunities available in Malaysia to
254 invest and told Malaysian businessmen to make use of the prospects in Qatar. According to him, bilateral trade
255 between Qatar and Malaysia was relatively small but was growing. The total bilateral trade between Malaysia
256 and Qatar for 2007 was QR 1.1b bn, a "huge jump" from the figure of QR 613 mn in 2005.

257 The delegates are made up of 90 representatives from Malaysian government agencies and companies to explore
258 avenues for expanding cross border trade and investment.

259 MITI added that this mission was part of Malaysia's efforts to strange then economic ties with the OIC. Many
260 programs are being pursued to expand trade and promote other forms of economic cooperation. Concurrently,
261 Malaysia is also undertaking measures to tie the bilateral trade and economic relations with individual OIC
262 countries.

263 Since the establishment of a diplomatic relation some 20 years ago, Malaysia and Qatar have been working
264 very close to address many issues, especially those effecting the Muslim community. Both countries champion the
265 interest of developing countries in multilateral trade negotiations under the WTO. In particular, it is essential that
266 the key elements of the Doha Development Agenda are accorded the proper priority to ensure that the concerns
267 of developing countries will be a major part of the WTO work program. Better market access opportunities for
268 developing countries and technical assistance for capacity building are among the needed solutions and should
269 take precedence over issues that mainly benefit the developed countries. 51 The ambassador added that in 2007
270 alone, the total value of project awarded to Malaysian companies was about QR 4.8 bn. ??2 According to him,
271 the two countries last month signed an agreement on avoidance of double taxation and this could further boost
272 business relations. Although Qatar currently has two projects in Malaysia-Asian Islamic Finance, of which the
273 Qatar Investment Authority has 60% equity, 53 50 The Official Portal of the Ministry of International Trade and
274 Industry, Malaysia. 2004 In his interview with Gulf Times, the Malaysian Prime Minister Tun Abdullah Ahmad
275 Badawi described Malaysia-Qatari relations as "good", with "the participation of Malaysian companies in Qatar
276 especially in the development of infrastructure". According to Tun Abdullah, the Malaysian economy was doing
277 well despite the international economic crisis. He added that the Malaysian banking sector is strong and resilient,
278 and Malaysia also taken several steps to strengthen the domestic economy and to increase consumption. ??4 He
279 concluded his interview by calling for cooperation between Qatar and Malaysia to establish and operate common
280 standards and common practices for all Islamic banks in the Muslim world and for any Muslim bank operating in
281 non-Muslim countries. ??5 The Qataris and Malaysian governments have showed and demonstrated their keen
282 desire to boost economic cooperation through the participation of several businessmen from both countries in the
283 'Malaysia-Qatar Business Forum' held at the Ritz-Carlton Hotel in Doha on January 21, 2009. ??6 The signing
284 of memorandum of understanding (MoU) and exchange of agreement papers between the officials of the premier
285 companies of the two countries were witnessed by the Chairman of the Qatari Businessmen's Association (QBA)
286 HE. Sheikh Faisal bin Qasim al-Thani and the Malaysian Prime Minister at the time Tun Abdullah Ahmad
287 Badawi. ??7 The second MOU was signed by Qatari Diar's CEO Mr. Ghanim bin Saad al-Saad and Zecon

7 VII. THE ACHIEVEMENT OF DIPLOMATIC

288 Berhad's CEO-cum-Managing Director Dato' Hj Zainal Abidin Hj Ahmad, stipulates that a business relationship
289 under which Zecon Bhd will provide services for Qatari Diar's construction projects. According to a Zecon Bhd,
290 the MoU between two premier companies enhanced business relationship and will bolster cooperation between
291 Qatar and Malaysia, and Qatar will benefit from Malaysian expertise in civic engineering, building construction,
292 infrastructure and property development through several Qatari Diar projects. ??8 An exchange of joint venture
293 saw agreements between Sime Darby Engineering Sdn Bhd of Malaysia and Al-Mana Trading Company W.L.L.
294 of Qatar witnessed by HE Sheikh Faisal and Tun Abdullah. In his welcome address HE Sheikh Faisal said:
295 "QBA is happy to participate in this special event which aims to boost economic integration and exchange of
296 investments between two countries". According to him, such initiatives will help our business and contribute to
297 the development of the private sector which will lead to ??4 Ibid. ??5 Ibid. ??6 more progress and prosperity in
298 the future," he remarked. In turn, Tun Abdullah provided an overview of the state of the Malaysian economy,
299 detailing its strengths and that of Malaysia's business environment. He pointed out that the strong trade relation
300 between Qatar and Malaysia was manifest in the increase of their trade volume from \$ 45Mn in 1998 to \$503.8mn
301 until November 2008, ??9 an impressive increase of 59% from U\$ 316.0 million over the same period of 2007.
302 ??0 On May 19, 2009 opportunities to consider and explore, and this MOU allows us to bring both our countries
303 closer together to create mutual economic benefits for future." ??4 Dato' Sri Mohd Najib, Prime Minister of
304 Malaysia and Chairman of the Board of Advisors of 1MDB, said, "We welcome the partnership between Malaysia
305 and Qatar based on a mutual long-term vision for sustainable economic development. It comes at an opportune
306 time when we are looking out for new sources of growth with high multiplier effects on the economy." ??5 On
307 January 28, 2011, the Qatari Crown Prince at the time, Sheikh Tamim bin Hamad Al-Thani, in a meeting with the
308 Malaysian's Prime Minister Dato' Sri Mohd Najib who is visiting Qatar. During the meeting, they reviewed the
309 bilateral relations between the two countries and ways of supporting and developing them. ??6 On his next visit
310 to Malaysia on December 5, 2011, the Qatar Prime Minister at the time, His Excellency Sheikh Hamad Jasim al-
311 Jabir Al-Thani, in his meeting with the Malaysian Prime Minister, both countries agreed to inject U\$2 billion joint
312 investment fund and the signing of economic cooperation agreements in the field of tourism and higher education.
313 ??7 In that meeting, Sheikh Hamad suggested that Malaysia should open up a national showroom in Doha, to
314 serve as an impetus to attract investment to which the Malaysian Prime Minister agreed. ??8 Meanwhile, the
315 Qatar Prime Minister noted that the increase in trade for both countries, which expanded by almost 200 percent
316 to Rm. 3 Economic cooperation between the two countries has grown rapidly, especially over the past five years.
317 For instance, the Qatar Investment Authority (QIA), a part-owner of the Pavillion REIT, has recently raised RM
318 710 million in an initial public offer (IPO) on Bursa Malaysia. Sheikh Hamad concluded his visit to Malaysia
319 by witnessing a memorandum of understanding with 1 Malaysia Development Bud (IMDB) which indicated that
320 QIA will participate in a U\$ 5 billion investment plan in the property and energy sectors. ??0 In January 28,
321 2013 , the Vice Chairman of Qatar Holding LCC , Mr. Hussain Ali Abdullah in his visit to Kuala Lumpur said
322 that Qatar may invest up to U\$ 5 billion in the next three or four years into the Pengerang Integrated Petroleum
323 Complex in the southern state of Johor". ??1 This Pengerang Petrochemical complex aimed at transforming the
324 Southeast Asian nation into a global hub for the oil and gas trade. It is expected will be able to accumulate 170
325 billion Malaysian ringgit (\$55.84 billion) in investments by the time it begins operations in 2016. The complex
326 includes the 60-billion-ringgit Petron as Refinery and Petrochemicals (RAPID) project by state-owned oil firm
327 Petroleum Nasional Berhad. ??2 In addition to this type of investment, Qatar Holding has spent 100 million
328 ringgit in 2012 to establish itself as a cornerstone investor in agricultural commodities firm Felda Global Venture
329 Holding Bhd. According to Vice Chairman of Qatar Holding that Qatar Holding's total investment exposure
330 to Malaysia will eventually exceed US 10 billion in various sectors. ??3 On June Sarawak is well known for
331 its investment opportunities. According to Pehin Sri Taib, foreign investors will come once they have a better
332 understanding about us. As we embark on more development and create more investment opportunities, it is
333 very important that such information be spread widely for foreign countries to underster and have confidence in us.
334 ??7 The Chief Minister also mentioned that the heavy industries complex already set up in Samalaju Industrial
335 Park, a growth north of the Sarawak Corridor of Renewable Energy, and has attracted RM 4 billion investment.
336 ??8 Although no details have been released on what have been agreed with the Qatar investors, nevertheless, it
337 is anticipated that the foreign investment will target one of the next two mega-dams Sarawak, the Murum and
338 the Bakum Dams, in addition to Baram and Baleh dams. The Chief Minister revealed to the audience that the
339 completion of these two proposed dams, along with Murum and the already operational 2,400-megawatt (MW)
340 Bakun dam, would generate about 6,000MW of clear energy for the state. ??9 According to him, outside financing
341 was necessary, the state of Sarawak feels confident in the formula that has been developed to attract investment
342 subscriptions, noting that the Murum dam project received numerous subscriptions under this programme. He
343 added, if one thing can be for certain it is that Qatar wants to move, and move in big. The State of Sarawak
344 looks likely to receive them with open arms. ??0 On January 7, 2014, The King of Malaysia Almu'tasimu Billahi
345 Muhibuddin Tuanku Alhaj Abdul Halim received the credentials of HE Issa bin Mohammed Al-Mannai as the
346 new Qatar Ambassador Extraordinary and Plenipotentiary to Malaysia. During the meeting, HE Ambassador
347 Al-Mannai conveyed the greetings of the Amir of Qatar, His Highness Sheikh Tamim bin Hamad Al-Thani and
348 his wishes of best of health to the King of Malaysia and further progress and prosperity to the Government and
349 people of Malaysia. For his part, King Abdul Halim entrusted HE the Ambassador to convey his greetings and
350 wishes of best of health to His Highness the Amir of the State of Qatar. At the same time also, the King of

351 Malaysia wished HE the Ambassador Al-Mannai success in his new mission and assured him of providing all
352 the support to upgrade the bilateral relations to closes cooperation in various fields between two countries. ???
353 Realising the close relation between two countries, on July 30, 2015, the new Amir of the State of Qatar, His
354 Highness Shaikh Tamim bin Hamad Al-Thani met the Malaysian Prime Minister, Dato' Sri Mohd Najib Tun
355 Abdul Razak in Putrajaya-Kuala Lumpur, and both leaders have focused their discussion on strengthening ???
356 Ibid. ??? Ibid. ??? Ibid. ??? Ibid. ??? Malaysian Ministry of Foreign Affairs. 2014. "Malaysian King Receives
357 Credentials of Qatar's Ambassador". Kuala Lumpur: Wisma Putra, January 8, 2014.

358 bilateral relations and to enhance ways of further bolstering joint cooperation in all fields. ??? In an interview
359 with Bernama news agency , Qatar Ambassador to Malaysia, HE Issa Mohamed Al-Mannai stated that due to
360 Malaysia's open and stable economic environment, its active role in the Association of Southeast Asian Nations,
361 as well as the country's strategic location were among the factors that would continue to attract investors to
362 the country. ??? Al-Mannai told Bernama that economic conditions fluctuate because of various factors. There
363 is hope that the current situation will pass and the world economy will get back on its feet again." ??? The
364 Ambassador added that the Qatar Investment Authority (QIA) was always looking for opportunities in Malaysia
365 that were of interest and beneficial to it. As an example, he referred to Qatar's investment at the Banyan Three
366 Signatures Pavilion Kuala Lumpur, a partnership between Pavilion Group and the Qatar Holding LCC, where
367 the Pavilion Group's unit represented by Lumayan Indah Sdn Bhd, the developer of the project, has a 51% stake
368 and Qatar Holding 49%. The envoy also said there would also be more investments in similar icons in the future
369 for tourists, as this is also something important on a friendship basis. ??? The Ambassador Al-Mannai also
370 expressed his hope that the new luxury beachside resort, Movenpick Resort & Spa Chendering in Terengganu,
371 through joint company, Success Diar Sdn Bhd, would be completed by the end of 2016. The Success Diar is a
372 joint company between Success Circle Sdn Bhd, a leading private investment company, and Qatari Diar Asia
373 Pacific Ltd, a subsidiary of Qatari Diar Real Estate Investment Company, which is the investment arm of the
374 QIA. 86

375 8 IX. Future Partnership Platform for Bilateral Relation

376 As the State of Qatar at the moment is on the preparations for the 2022 FIFA World Cup and the Ambassador
377 encouraged Malaysian companies to be part of this development.

378 The bilateral relation between West Asia and Malaysia has formerly been focusing on politics and finance.
379 With current trade progress between West Asia-Malaysia as well as Southeast Asia, the opportunity to a
380 new era of cooperation seems promising. In particular the ancient silk and spice routes is believe to help 82
381 Bahrain News Agency. 2015. "Qatar-Malaysia Relations Discussed". Manama: Bahrain News Agency, July
382 31, 2015. ??? The Malaysian Insider. 2015. "Malaysia Can Still Draw Investors Despite World Economic
383 Challenges". Kuala Lumpur: The Malaysian Insider, September 12, 2015. [http://www.themalaysianinsider.com/
384 business/article/malaysia-can-stil...](http://www.themalaysianinsider.com/business/article/malaysia-can-stil...) ??? Please refer to [http://etp.pemandu.gov.my/Related_Stories-@Qatar-
385 ;_Malaysia_can_s...](http://etp.pemandu.gov.my/Related_Stories-@Qatar-;_Malaysia_can_s...) ??? The Malaysian Insider, op.cit. ??? Ibid. restore current trade and investment flow
386 between West Asia and Muslim countries in Southeast Asia.

387 During Malaysian former Prime Minister, Tun Dr. Mahathir tenure, effort were made in promoting greater
388 economic cooperation and trade relations among the Muslim countries. Like the early Muslim who were great
389 traders, he said, Malaysia believes in free trade and has established an Islamic financial system to enable Muslim
390 to enjoy the benefits of modern financial system. ??? We define "Muslim Ummah", or "Ummah" in particular
391 as brotherhood of Islam, in which economic context is concern, refers to the business and investment network
392 between Muslim countries or individual investors from those countries. "Ummah" is "collective nation of states",
393 "community of the Believers" or "brotherhood of Islam". The phrase Ummah Wahidah in the Qur'an (the "One
394 Community") refers to the entire Muslim World unified.

395 He had hoped that the rich nations of the West Asia and Gulf countries would be willing to work within
396 bilateral and multilateral frameworks for the economic betterment of the Muslim Ummah as a whole.

397 9 a) The Rationale for an Ummah Network

398 The proposed "ummah network" is an 'informal set-up' and remain as a virtual network. Informal in this context
399 refers to "unbound" by explicit agreement between nation-state". Therefore, this network is unbound by sovereign
400 borders, hence providing this network with virtually unlimited space for expansion, and the focus of this network
401 should be on trading and investment partnership among members of OIC.

402 To some extend, this ummah network should be initially bound by religious belief, but this boundary could
403 be faded away due to integration with other formal and informal global network. The rationale is that greed has
404 become so embedded in human civilization, especially in developed countries which mostly consists of non-Asian
405 countries. The eagerness to dominate and maximized self interest have been so strong that it is very likely
406 endangering the existence of mutual benefit of a "strong-weak" partnership.

407 Each of the Western Asia and Gulf countries including Malaysia, Indonesia and Brunei (the Malays World
408 of Southeast Asia) are considered as "weak" as individual country but are "strong" as partner-unit. Trade and
409 investment negotiation between the ummah partnership with individual developed countries or strong economic

11 C) HALAL MARKET WITHIN MUSLIM COUNTRIES

410 bloc like the European Union could be fairer, allowing greater potential and sustainable partnership to be
411 establish.

412 Hence, the formation of ummah network should be viewed as catalyst for free trades and global ??? partnership
413 in investments, not vice versa. Importantly, ummah network should also be a catalyst for trade and investment
414 partnership among its members. It will speed up the development of member countries.

415 Malaysia's position as a Muslim country with close socio-cultural affinities to the West Asia region can play
416 the role to kick off this virtual concept of ummah network. To "move" the ummah network from its "motionless"
417 state, change are required. To gather such a big commitment, it needs politically construct push mechanism.
418 Muslim countries of West Asia, Gulf countries, Malaysia, Indonesia, and Brunei need to publicly affirm their
419 encouragement for an ummah partnership that seek mutual helping hand and not preparing window opportunity
420 for self-centered agenda among Muslim countries. The non-Muslim countries should also be welcome to join the
421 network if they are seeking mutual benefit partnership and not exploitation.

422 Over the years, Malaysia has been well involved with active bilateral and multilateral ties involving both
423 developed and developing countries at the regional and international levels; there is no reason for the current
424 government to change that policy. In short, pragmatism will continue to dominate Malaysia foreign policy in
425 matters pertaining to Malaysia's interest abroad.

426 In addition to that, the country's ties with the Muslim world and its strategy to expand its economic relation
427 with the Muslim countries might boost Malaysia's bilateral relation with the West Asian and Gulf countries.
428 Statistics and empirical facts showed that Malaysia-West Asia and Gulf economic ties are sustained by the
429 current investment in oil and gas, trade, constructions sectors and not forgetting the expatriate dynamics, which
430 pave ways for greater synchronization of economic interest. Other key sectors which are seen as comparative an
431 advantage to each other include Islamic banking services, Tourism sector, education, Halal market, and many
432 other.

433 10 b) Islamic Banking Services

434 Malaysia is aggressively involved in the promotion of the Islamic Capital Market. Globally, it is estimated to be
435 worth US\$ 200 billion and offer potential growth spectrum of 10 to 15% annually. It is imperative that Muslim
436 countries, particularly from West Asia-Gulf region to work together with the Southeast Asian Muslim countries
437 to ensure continued development of the global Islamic Capital market.

438 Locally, Malaysia's Islamic capital market is growing rapidly. Shari'ah compliant stocks represent 81% of the
439 total listed shares on the stock exchange Islamic bonds accounts for 38% of total corporate bonds outstanding
440 in the country. ??? investor, traders as well as consumers, numbers of banking and financial institutions from
441 Malaysia have penetrated into the West Asia, Gulf countries and vice versa. Malaysian bankers such CIMB
442 Islamic Bank Berhad and Maybank are among the players going into the GCC region Islamic financial hub such
443 as Bahrain, Kuwait and Qatar, providing Islamic financial services.

444 It is believed that the contributions of Islamic banks from West Asia and Gulf region such as Al-Rajhi Bank,
445 Kuwait Financial House and many others in enhancing the competitiveness of Islamic banking sector but also
446 play the role of attracting more investment from other renowned Islamic banks from Muslim countries globally.
447 Despite allowing selected Islamic banks to invest and operate in Malaysia, there is not much effort to further
448 liberalize the Islamic banking. Therefore, any breakthrough in liberalizing and developing this sector shall need
449 commitment of belief, in which can be provided through ummah network that operate based on trust and mutual
450 benefit. Besides, the ummah network can act as an enhancement to existing global partnership like Islamic
451 Development Bank (IDB) and International Islamic Trade Finance Corporation (IIFC).

452 At the moment, a number of West Asia and GCC countries companies, such as Al-Rajhi Bank, Kuwait
453 Financial House, Qatar General Insurance and Reinsurance Company (QGIR) have operated their services in
454 Malaysia. Al-Rajhi Bank and Kuwait Financial House are among the well known GCC's bank providing Islamic
455 banking services in Malaysia . The existence of Labuan International Offshore Financial Centre (IOFC) which
456 established in 1990 by Malaysian Government is another avenue for West Asia financial investors. This IOFC
457 Labuan offers a wide range of financial products and services internationally including banking insurance, trust
458 services and fund management with the Labuan Offshore Financial Services Authority, and the Qatar government
459 has made a secondary listing of US\$ 700 million Trust Certificates (Sukuk) on the Labuan International Financial
460 Exchange (LFX) in the year 2004. 90

461 11 c) Halal Market Within Muslim Countries

462 Malaysia welcomes a bigger presence from Qatar in the Malaysia's financial market.

463 The demand for halal products is ever increasing and expected to continue with the increasing Muslim
464 population all over the world. The great success of minority population in Southern Thailand in exporting
465 halal products all over the world has drew both envy and encouragement to Malaysia in aggressively developing
466 its halal market. The Malaysian government see its potential but massive effort and investment are still needed
467 to success. In the recent Economic Development Plan, Malaysian government has allocated ??? Ibid. more than
468 RM 100 million for the development of halal product industry by establishing Halal Parks as a part of Malaysia's
469 Halal Hub framework. ???1 The Halal industry is a rapidly expanding business now reaching 1.8 billion consumers

470 worldwide and worth to be estimated at US\$ 2.1 trillion. ??2 Within the West Asia market, the Halal industry is
471 estimated to be worth more than US\$ 20 billion. 93

472 12 d) Higher Education

473 Muslims awareness on their obligation to consume products based on Islamic requirements also contributes greater
474 demand for halal food and non-food products. Importantly, the halal market does not focus on Muslim countries
475 only; however, non-Muslim countries also provide huge potential for the halal products. Malaysia, now is looking
476 forward to facilitate a one-stop center for activities related to halal industries. These activities include inspection,
477 certification, R&D, analysis, legislation, enforcement, sampling and laboratory facilities, marketing, management,
478 consumerism, reference, education, information technology and networking. In the mean time, Malaysia now has
479 a Showcasing Mart in Dubai that promotes products from Malaysia's SMEs to buyers in the West Asian region
480 and promoting Malaysian processed Halal foods and beverages.

481 Currently, many global alliances have been established such as International Halal Integrity Alliance (IHI). It
482 is an international non-profit organization, created to uphold the integrity of the halal market concept in global
483 trade through certification, collaboration and membership. There is also the World Global Forum which act as a
484 focal point for global halal industry to discuss, collaborate and promote industryspecific issues and not forgetting
485 the Organization of Islamic Conference's Trade Preferential System (OIC-TPS) that aimed to create a world free
486 trade zone for Muslim countries.

487 Malaysia is fast becoming a major centre for education in the Asian region. As a Muslim country which
488 socio-cultural closely affiliates to the West Asia region it is well positioned to enhance cooperation in social and
489 educational areas.

490 Malaysia offers quality higher-education at affordable prices. In addition to locally developed programmes
491 that are internationally recognized, a

492 13 e) Tourism

493 The number of West Asian student currently studying in Malaysia is more than 10,000. Fortunately, the
494 government of Qatar is giving added emphasis to education for its citizens. Malaysia invites students from
495 Qatar to pursue their higher education in Malaysia as an alternative to studying in the Western countries.

496 Malaysia is well known as a tourist destination. Since 2001, Malaysia has been actively promoting tourism with
497 the Muslim countries. Malaysian government through Ministry of Tourism has highly strived to drew tourists
498 from West Asian and Gulf countries.

499 Tourism is a "subjective" matter, meaning that choice of tourism destinations still being heavily influence by
500 philosophical factor including cultural and religion bonding. Hence, enhancing the ummah bonding could increase
501 the attractiveness of tourism. Hospitality industries in Malaysia, especially hotels follow halal requirements in
502 their operation making them more tourists friendly to Muslim visitors. Similar case applies to Malaysian Muslim
503 tourists when they visit West Asian countries. According to Professor Har Wai Mun this type of tourism is
504 termed as "halal tourism", 95 in which growth due to the both pull and push factors. He defined push factor as
505 difficulties to obtain visa for West Asian people to visit the West, thus is should be addressd within the ummah
506 network but much detail cooperation from tourism services(airline, hotels, food and beverages) to finance need
507 to be sorted out collectively especially in funding it. ??6 The Malaysian government efforts in attracting foreign
508 tourist so far has been quite successful. In 2003, alone, 10.6 million tourists from all parts of the world visited
509 Malaysia. Total arrivals from West Asia was 80,216. 97 ??4 The Malaysian Ministry of International Trade
510 and Industry, op.cit. ??5 Har Wai Mun, and other, Malaysia-West Asia Relation, op.cit. ??6 Ibid. ??7 The
511 Malaysian Ministry of International Trade, op.cit.

512 In 2013 Qatar tourist who have visited Malaysia were 7264 in number. On 17 October 2010 the Qatar Tourism
513 Authority (QTA) completed its Asian Road show in Kuala Lumpur at Ritz Carlton. QTA has met more than 65
514 leading tourism and trade professionals in Kuala Lumpur to boost awareness for Qatar's destination, particularly
515 the MICE (meetings, incentive, convention, exhibition), sport, culture and upscale leisure tourism area.

516 Qatar Tourism Authority chairman, Mr Ahmed Al-Nuaimi stated that: "the objective of this road show
517 throughout Asia is to strengthen our ties and build new relationship with the tourism and travel professionals
518 in Malaysia including the delegates from other major cities participating in the tour. Through this road show
519 we aim to build network facilitating future businesses in tourism between the state of Qatar and Malaysia". Mr
520 Al-Nuaimi added that Qatar and Malaysia are also two countries that have strong diplomatic relations, and share
521 the same common views affecting the Muslim world".

522 Malaysia is a haven for shopping for a wide range of products including branded items and exquisite local
523 products. A variety of leisure and recreational activities as well family entertainment are also available. In fact,
524 record indicated that tourists from West Asian and Gulf countries have increased almost 100 percent during the
525 10 years period. It shows that Malaysia has become a favorite holiday destination for many tourists from all
526 parts of the world.

527 According to the Minister of the International Trade and Industry, Malaysia welcome Qatar citizens to
528 participate in 'Malaysia-My Second Home' Programme, a programme organized to encourage foreigners to stay
529 in Malaysia. The programme applies to all citizens with no age limit and participants can also bring along their

15 X. CONCLUSION

530 dependents. Those who qualify can stay in Malaysia as long as the social visit pass with a multiple entry visa
531 permits.

532 14 f) Oil and Gas

533 Spearheaded by PETRONAS (the national petroleum company), the oil and gas sector has been a major
534 contributor to the Malaysian economy. This sector has spawned a large number of companies involved in
535 the upstream and downstream operations. Many are already offering their services overseas and among their
536 activities include logistics, environmental management; infrastructure development, refineries, petrochemical
537 plants; engineering and fabrication, production chemicals, and customized components.

538 The Qatar Investment Authority (QIA) aware of the importance of cooperation in the energy sector and as
539 well as other strategic sectors, and for that reason QIA signed a MoU with 1 Malaysia Development Berhad
540 (1MDB) at Putrajaya on May 13, 2010. This MoU provides a framework for facilitating investment cooperation
541 between the two entities to explore, evaluate and implement investment opportunities in Malaysia, particularly
542 in the energy sector. On January 28, 2013, the Vice Chairman of Qatar Holding LCC, Mr. Hussain Ali Abdullah
543 in his visit to Kuala Lumpur said that Qatar may invest up to U\$ 5 billion in the next three to four years into
544 the Pengerang Integrated Petroleum Complex in the southern state of Johor. This aimed to transform the
545 Southeast Asian nation into a global hub for the oil and gas trade which is expected to be able to accumulate
546 MR 170 billion (U\$ 55 .84 billion) in investments by the time it begins operation in 2016.

547 15 X. Conclusion

548 Malaysia current policy towards West Asia is on the right track and therefore there is no hurry for a change.
549 Political relations are good with all the countries in the region and there is no critical issue that may disrupt
550 this relationship. Domestically, there is no pressure from Malaysia's domestic constituencies to revise or alter
551 the existing foreign policy towards the West Asia.

552 Malaysia is best defined as a broad-based economy led by the manufacturing sector. Other key sectors that
553 contribute to the economy include agricultural, services, ICT and oil and gas. Companies from West Asia can
554 look for relevant partners in Malaysia for a wide range of business activities.

555 Due to the ease of doing business in Malaysia, West Asian businessmen can be assured that they are dealing
556 with a country that is stable and pro-business government. Malaysia also offers a conducive business environment
557 with sophisticated and well-developed supporting services such as finance, banking, telecommunication and
558 transportation.

559 Malaysia's international relation is a hidden resource to many global partners but it offers great impact to
560 drive economic growth. However, this hidden treasure has been treated as an endogenous variable in various
561 economic modeling, in which it would not explicitly being captured by the model nor utilized in the real world.
562 Thus, this conceptual study on international relation between Malaysian and West Asia possess the possibility
563 of establishing a virtual but powerful ummah network which could bring mutual benefit to all participating
564 countries.

565 The growing economic link between the West Asian countries and Malaysia represents the increasing economic
566 ties among the Muslim countries. In the meantime, as the West Asian countries are expanding their economic
567 and strategic relation with Southeast Asia, Malaysia is seen as a potential market for the West Asian countries to
568 explore various opportunity in order to diversify their trade portfolios and partners in Southeast Asian countries
569 and vice-versa. Nonetheless, the development of Malaysia-West Asia economic relation faces few challenges which
570 must be recognized and addressed. ^{1 2 3 4}

[Note: 11 Jeshurun. C. 2007. *Malaysia Fifty Years of Diplomacy*. Kuala Lumpur: The Other Press, p.127.]

Figure 1: 14

570

¹Syed Hamid Albar. 2005. *Selected Foreign Policy Speeches*. Kuala Lumpur: IDFR, p.30. ² Khoo Boo Teik. 1995. *The Paradoxes of Mahathirism*. Kuala Lumpur: Oxford University Press, p.74.

²In addition, in July 2015 the new kingdom's successor/Qatari Amir, Shaikh Tamim bin Hamad Al-Thani visited Kuala Lumpur.⁴⁴

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⁴Malaysia's Ministry of International Trade and Industry. 2004. "Ma;aysia-Qatar Business Opportunities", Doha, Qatar ,Monday, 23 February 2014.

involving import items such as petroleum product and chemicals. According to the International Monetary Fund's Direction of Trade Statistics and Dinar Standard Research, UAE was the second OIC trading partner of Malaysia in 2007, and is considered to be the most important trading partner for Malaysia in West Asia. 15

V. Re-Orientation of West Asia
Bilateral Relations with Muslim
Countries in Southeast Asia

West Asia and Gulf States previously saw their interests as far more closely tied to the West than to the Muslim countries in Southeast Asia. Changes in the global economy, West Asia, and the Muslim World compelled the Gulf States, Malaysia and other Muslim states in Southeast Asia to "re-orient" their economic and strategic interests.

Retrieved October 22, 2008, from http://www.khaleejtimes.com/malaysia/mt_eco_cnt1.html

Figure 2:

[Note: "Saudi Arabia's Rajhi Eyes Malaysian Islamic Market," April 28, 2012.]

Figure 3:

[Note: 34 Lukman Mansor. 2010. "Coming Together for the Betterment of Muslims," *News Straits Times (Malaysia)*, January 24, 2010, p.26. 35 Tan Sri Muhyiddin. 2012. "Malaysian Companies Have Strong Presence in UAE," *Malaysia Economic News*, May 28, 2012. 36 *Malaysia Economic News*. 2012. "Malaysia to Open Trade Centre in Doha," April 30, 2012. 37 Azlan Abu Bakar. 2009. "Mall to Mark New Milestone in Business Ties with Saudis," *New Straits Times*, March 2, 2009, p.6.]

Figure 4:

[Note: 41 *The Embassy of the State of Qatar (n d)*. 'The Achievement of Diplomatic Relations between Qatar and Malaysia' (*Thabi'ah al-'Alaqat al-Siyasiyyah Bayna Dawlah Qatar Wa Malaysia' (Al-Shuun al-Siyasiyyah)*). Kuala Lumpur: Qatar Embassy.]

Figure 5:

Encouragement and Reciprocal Protection of
Investment, 2.

Figure 6:

[Note: 52 Ibid.53 Ibid.]

Figure 7:

[Note: 57 Ibid.58 Ibid.]

Figure 8:

was signed by Dr. Hussain Ali Al-Abdulla, Board Member-Executive of QIA and Mr. Shahrol Halmi, Managing Director and Chief Executive Officer of 1MDB, on behalf of the respective entities.

investment cooperation between the two entities to explore, opportunities in Malaysia, including in the energy sector and a strategic real estate development in the Klang Valley. A Joint Committee will be established between QIA and 1MDB to assess the viability and other commercial aspects of the various investment opportunities to be considered. QIA proposes to invest USD 5 billion (approximately MYR 16 billion). His Excellency Sheikh Hamad Jassim bin Jabir Al-Thani, Prime Minister of the State of Qatar as well as Vice Chairman and CEO of QIA said, "Malaysia is an attractive investment destination with plenty of

59 Ibid.
60 Pejabat Perdana Menteri Malaysia. 2009. "Speech of Dato' Sri Abdullah Bin Haji Ahmad Badawi at the business forum Malaysia-Qatar business opportunities. Putra Jaya: Koleksi Arkib Ucapan Ketua Eksekuti. Doha, Qatar, January 21, 2009.

61 New Straits Times Newspaper. 2009. "Najib, Emir Witnesses Malaysia-Qatar Bilateral Trade Agreement", Kuala Lumpur, News Strait Times, May 20, 2009.

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Figure 9:

The
MoU

This MoU provides a framework

evaluation and implementation

At the national level, The Malaysian Prime Minister pointed out the possibilities for closer cooperation within the country, including investment opportunities in the Iskandar region in the Johor's state and the possible development of Langkawi. As Dato' Sri Mohd Najib added that the commitment to implement the Economic Transformation Programme means there are greater investment opportunities for Qatar." Say Dato' Sri Mohd Najib.

69

64 Ibid.

65 Ibid.

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[Note: 68 See Property Guru Malaysia "Malaysia, Doha in RM billion Joint Venture".69 Ibid.]

Figure 10:

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Figure 11:

Figure 12:

Figure 13:

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