SMART PARTNERSHIP IN ACTION: SUDAN'S FOREIGN POLICY TOWARDS MALAYSIA 1989-1999

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Introduction

When the army came to power in 1989, many observers recognized it not only as a reaction to the critical situation in the country, like its predecessor coups, but also as a change from "old politics" to "new politics". The Revolutionary Command Council of National Salvation" RCC-NS" was signifying an alternative to civilian mismanagement, but with a definite ideology. Internally, under *Omar al-Bashir*, all the secular institutions were dissolved and the government started a Comprehensive Call program for Islamization that encompasses all aspects of life.¹

However, the government took power during the transformation period when the whole world was witnessing the end of the Cold War and then the collapse of the Soviet Union. Thus, the new government faced new and totally different issues in formulating its foreign policy. The challenge mainly came from the West. The immediate reaction of the United States to Sudan's radical policies was aggression. Sudan was accused of a list of charges claimed to be committed domestically and internationally. Consequantly, an image of a small Islamic country trying to promote its own Islamic style of ruling while confronted by the West or rather by a "Neo-Crusaders' War", has been cited by the government and its allies all over Islamic world.

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Peter K. Bechtold, More Turbulence in Sudan: a New Politics This Time, <u>Middle East Journal</u>, Vol. 47, No.2, 1990, pg. 580.

When Sudan's confrontations with the United States and the West affected the finance and foreign investment in Sudan, the government did an about-face and turned east to China and the newly industrialized nations "NICs" in Southeast Asia. Historically, this area was famous for its neutrality and non-imperialistic approaches in financing and aiding the Third World countries. The representation of Sudan in Asia increased from four to nine resident representations after Sudan opened five embassies in various countries including Sudan's embassy in Kuala Lumpur. A number of exchanges of visits between the officials from Sudan and different Asian countries had resulted in many agreements in various areas of cooperation. This was the main capital supply from which vital projects were implemented, especially the oil industry and exportation that started in August 1999.²

Sudan and Malaysia: Historical Background

Sudan and Malaysia are two Muslim countries. Although located in different geographical regions, they share the same Islamic cultural heritage and social and religious values. Naturally, all factors affirm that the relations between the two countries would be very close with strong ties and traditions of cooperation. Both countries are former British colonies and gained their independence during a similar time; in 1956 for the Sudan and 1957 for Malaysia. At that time Sudan, on one hand, was fighting to determine its identity within the Arabic and African spheres and to enhance its national integration. On the other hand, Malaysia, which was known as Malaya, was facing similar situations and problems. The post-independence era in Malaya witnessed the Malaysian leaders working hard to maintain security and racial harmony within a fragile state that was surrounded by insurgents, especially from communists.

² Muhammed al-Amin Khalifa, Taqweem Ada' thawrat al-Inqaz al-Watani Khilal Ashara Sanawat, p177.

However, the first contact between Sudan and Malaya took place after the proclamation of Malaysia on 16th September 1963. This contact happened indirectly when Indonesia opposed the proposal that the Malaysia project would include Sarawak, which Indonesia claimed as its own. After the official declaration of Malaysia, Indonesia, under the leadership of President Sukarno, declared the policy of confrontation *"Konfrantasi"*, which ranged from aggressive patrolling of the Malacca Straits to border clashes involving members of the armies of the two countries. The confrontation also reached into other fields when Malaysia failed to gain a seat in the Cairo Non-Aligned Nations Conference, in April 1965, largely because of the Indonesian propaganda. At that time, Sudan was ruled by the radical revolutionary government, which showed strong sympathy to President Sukarno in his confrontation against Malaysia. The radical government in Sudan for a week in April of that year threatened to sever relations with Malaysia.³

After this brief era of indirect confrontation between Sudan and Malaysia, internal politics in the two countries witnessed drastic changes that affected the relations between them. In Sudan the succeeding governments were more inclined to reduce the radical influence on foreign policy. Meanwhile, Malaysia, with the turmoil of the 1960s behind it, moved towards the consolidation of its relationship with its neighbours in the region. It put the final touches to its rapprochement with Indonesia by signing, in March 1970, a Friendship Treaty and a Delimitation of Territorial Seas Treaty. However, the end of this era witnessed the riots and racial hostilities of 13th May 1969, which occurred due to the fragility of the Malaysian socio-political structure. The effect of these hostilities, however, was unpredictable. The ethnic conflict between the Malays and the Chinese precipitated a new strategy for improving the economic disparity of the Malays, which was viewed as the primary cause that led to the riots. As a result, there existed a relative calm in the internal politics of Malaysia that opened the door for the second Prime Minister, Tun Abdul Razak, to shift Malaysia's foreign policy from that of a pro-Western to a

³ John Howell and M.B. Hamid, Sudan and the outside world: 1964-1968, <u>African Affairs</u>, Vol. 68, No. 273, pg. 307.

non-Aligned orientation. It was this shift in foreign policy that enabled Malaysia to formulate a balanced foreign policy, which would help the country to gain more friends in both the Eastern Bloc and the southern regions.⁴

A new feature of international diplomacy, which gained prominence during this period, was Malaysian relations with the Muslim world that started at the beginning of the 1970s. Because of its good relations with the Arabs, Malaysia was among the ten most-favored nations exempted from oil cutbacks in the 1973 energy crisis. By 1974, Malaysia had begun to cash in on its Arab ties by concluding a number of cultural, scientific, technical and economic agreements with several Muslim countries in the Middle East.⁵

It was during this time that Sudan started its first systematic contacts with Malaysia. At that time there was non-resident diplomatic representation between the two countries. The framework of bilateral cooperation then continued to be confined to that level within regional and international organizations, which enabled Sudan and Malaysia to share identical views on many regional and international issues. Both of them are member states of the Organization of Islamic Conference (OIC), Non-Aligned Movement (NAM) and the United Nations Organization (UN).⁶ Further, the relations were promoted some times to include cultural activities such as the exchange of students and military trainees. In 1983, such programs enabled a lieutenant colonel named Omer Hassan Ahmed al-Bashir, who became the President of the Sudan in 1989, to spend one year as a trainee in the Malaysian Armed Forces Staff College.⁷

⁴ J. Saravanamutu, Malaysia's Foreign Policy, 1957-1980, pg. 17.

⁵ Zawawi Ibrahim, Cultural Contestations: Mediating Identities in a Changing Malaysian Society, pg. 64.

⁶ Quoted in an interview with Dr. Mustafa Osman Ismael, the External Relations Minister of the Sudan, in *Beladi* Magazine, Issue No. 1, May 1998. pg. 4.

⁷ Quoted in a speech by President Omar Bashir to the Sudanese community in Malaysia on 29th July 1999.

In 1991, relations between the two countries witnessed a rapid promotion to reach a significant level of cooperation. In that year, the Sudanese President Lt. General Omer Hassan Ahmed al-Bashir paid a visit to Malaysia. This visit was a very important step in promoting the relations between the two countries, as Sudan opened an embassy in Kuala Lumpur.⁸ The relations between the two countries developed gradually until they reached their highest level after the visit paid to Sudan by the Malaysian Prime Minister Dr. Mahathir Mohamad in May 1998. During this visit and after receiving an honorary Doctorate of Law from the University of Khartoum, the Prime Minister reasserted the need for Malaysia to restore and increase its trade with Sudan and other countries in order to rebuild its economy after the latest currency crisis. He was accompanied by more than twenty Malaysian businessmen who were looking for joint ventures with Sudanese businessmen.⁹

The government of Sudan started implementing its foreign policy towards Malaysia after it had reoriented its economic and trade relations to the Asian countries in general and to Malaysia in particular. Firstly the two countries signed two agreements of technical, cultural, educational and economic cooperation in 1991. After that many agreements have been signed such as the agreement for the promotion and protection of investment, the agreement for the avoidance of double taxation, trade agreement, payment arrangement agreement, and several agreements of investment in the mining and energy fields. By 1998, the number of agreements amounted to thirteen and is expected to increase.¹⁰

In the mean time, officials of the two countries continued to exchange visits. These visits enabled the exchange of views between the two countries, view points seem to be identical on many regional and international issues, taking into account the solid stance taken by the two

⁸ Quoted in an interview with the Sudanese Ambassador in Kuala Lumpur, in "Adwaa", a periodical newsletter issued by the Sudan's embassy in Kuala Lumpur, No. 7, June 1998.

⁹ New Straits Times, Kuala Lumpur, May 15, 1998.

¹⁰ Sudan's Embassy Kuala Lumpur, Cultural Attaché.

countries against the hegemony of the West. In July 1999, the Sudanese President, Omer Hassan Ahmed al-Bashir, visited Malaysia for the second time to participate in the Fourth Langkawi International Dialogue. He was accompanied by the Sudanese Finance Minister and several Sudanese businessmen with the goal of negotiating for more cooperation with Malaysia and other developing countries.¹¹ A month later, in August 1999, a Malaysian diplomatic mission flew to Sudan to open the Malaysian embassy in Khartoum for the first time.¹² At this point, Sudan and Malaysia had already concluded very close ties with many shared projects and investment.

Significance of Malaysia

Malaysia is situated in Southeast Asia and consists of 13 states. Eleven of these states are in Peninsular Malaysia in the southern part of the Kra peninsular (with Thailand to the north and the Island of Singapore to the south). Two other states, Sabah and Sarawak, are on the north coast of the Island of Borneo, two-thirds of which comprise the Indonesian territory of Kalimantan. Sarawak also borders Brunei, a coastal enclave in the northeast of the state. Malaysia is a multiracial and multi-religious society with a population of 17.8 million (1990 census), consisting of 58 percent Malays, 32 percent Chinese, and 10 percent Indians and others.¹³

In the aftermath of the May 1969 ethnic hostilities, Malaysia utilized its foreign policy as the most important factor in enhancing its security and development. In 1967, the Association of Southeast Asian Nations (ASEAN) was born with Malaysia, Thailand, Indonesia, the Philippines and Singapore as the founding members. Malaysia worked to consolidate the ASEAN as a practical regional concept of neighbourly cooperation and

¹¹ The Sun Newspaper, Kuala Lumpur, Thrusday July 29, 1999.

¹² SUNA News Digests, 27 August 1999, at www.sudan.net

¹³ Mohammed Ghali Ahmed, Regional Globalism: A case Study of Malaysian-South Africa Relations, (Unpublished Master dissertation, IIUM), pg. 22.

as a collective entity in Southeast Asia. In November 1971, Malaysia took a very important step to persuade the Asian countries to endorse neutrali zation of Southeast Asia and declare that they are determined to exert all necessary efforts to secure the recognition of and respect for South.east Asia as a Zone of Peace, Freedom and Neutrality (ZOPFAN). The neutral ity system entailed the pursuit of three elements: national cohesiveness and resilience; regional cohesiveness and resilience, and the observance of a policy of equidistance vis-a-vis the major powers. ZOPFAN not only guaranteed the security for the region in general and Malaysia in particular, but also enabled Malaysia to attract foreign investment for its economic development, as it appeared very stable and peaceful during the seventies. However, ZOPFAN was not a well-defined mechanism, as it remained vague and dependent on the realization of the super powers to guarantee it.¹⁴

During the 1980s, Malaysia articulated its own vision to break the monopoly of the developed countries over the international trade realizing the importance of cooperation with the South countries for its economic development. The concept of South-South cooperation was not a new concept at that time. It had been articulated since Bandung Conference of 1955, which first brought the South countries together in a search for a collective identity. Yet, South-South cooperation remained only as an ideological goal for many countries in the South, in spite of all efforts and institutions that grew to enhance this idea. For Malaysia the picture was different because for them the South-South cooperation must become a force working hand-in-hand seeking solutions to economic problems of the third world countries. This was decided upon during a conference held in Kuala Lumpur in May 1986. It aimed at avoiding any confrontation with the countries of the North and to work together with developed countries keen to co-operate through projects promising gains.¹⁵

¹⁴ J. Saravanamuttu, The Dilemma of Independence: Two Decades of Malaysian Foreign Policy, pg. 19.

¹⁵ Aziz Zariza Ahmed, Mahathir: Triumph after Trials (Kuala Lumpur: S. Abdul Majeed & Co., 1990), pg. 73.

In a competitive environment, a small developing country like Malaysia has little choice but to develop relations and establish friendship with as many countries as possible. More importantly, Malaysia's partners in trade and investment must continuously have confidence in Malaysia's economic strength and political stability. Malaysia must, therefore, establish a reputation as a credible and reliable partner in all ventures, not only economically but also politically; not only at the bilateral but also the regional and international levels. To achieve such goals Malaysia instituted the concept of smart-partnership in order to build a long-term commitment with common objectives, mutual understanding and benefit, mutual respect and above all mutual trust between Malaysia and its partners.¹⁶

As a result of all these policies, Malaysia has realized a high standard of economic and technological development during the last two decades. In 1995, according to estimates by the World Bank, Malaysia's gross national product (GNP), measured at average 1993-95 prices, was US\$78,321m, equivalent to \$3,890 per head. During 1985-95, it was estimated, GNP per head increased, in real terms, at an average annual rate of 5.7%. Over the same period the population increased by an annual average of 2.5%. Malaysia's gross domestic product (GDP) increased in real terms by an annual average of 8.0% in 1991-1997; GDP increased by 8.6% in 1996 and by an estimated 8.0% in 1997. Development has reached into many fields in Malaysia, which has enabled the country to maintain significant amounts of high technology and skilled experts and workers in different fields of economic activities.¹⁷

The significance of Malaysia as a good or smart partner stems not only from its extended development, but also from its stand against the exploitation of the developing countries by the developed ones. The Malaysian Prime Minster Dr. Mahathir Mohamad stood up against the

¹⁶ Abdullah Haji Ahmed Badawi, "Malaysia Foreign Policy: Fostering Greater Political and Economic Cooperation", in Malaysia Today: Towards Vision 2020, pg. 289.

¹⁷ Malaysia Introductory Survey, quoted in The Europa World: Year Book 1998 pg. 2203.

trend for imposition by the strong over the weaker economies. In many international fora, Malaysia together with some other countries has successfully resisted efforts by the developed countries to use global issues like human rights, democracy, labour standards and protection of the environment to impose their values and interests on others. Malaysia's ability to foster greater economic co-operation with other countries is crucial to its own continued progress.¹⁸

All the factors mentioned above singled Malaysia out as a good partner for the Sudan to build close relations that the country could rely on when implementing its vital development programs. Another considerable factor in such a situation is Malaysia's need to invest in Sudan especially in the fields of gas and oil. There are two main reasons behind the development of Malaysian's business in these fields. First, to secure additional petroleum reserves for the nation because Malaysia's oil reserve is considered small and at the present rate of production, the country will be a net importer by the year 2010. The prospects of discovering major oil fields at home are getting tougher. So, it is only natural that they go forth to seek new external reserves to add to the nation's reserves. Second, Malaysia needs to add value to their business by sharing their expertise with the host countries while at the same time providing new challenges to their employees.¹⁹ For those reasons the relations between the two countries witnessed a rapid change during the nineties and the Sudan has relied heavily on Malaysia to maintain its comprehensive development projects.

¹⁸ Abdullah Haji Ahmed Badawi, Malaysia's Foreign Policy: Fostering Greater Political and Economic Cooperation, pg. 289.

¹⁹ Mohd Hasan Marican, "Oil and Gas Industry: Globalization Through Partnership and Alliance", in Malaysia Today: Towards Vision 2020 pg. 283.

Bilateral Relations Between Sudan and Malaysia 1989-1999

When the current government in the Sudan came to power in 1989, the country was in a critical situation. Civil war, chronic political instability, high inflation, a drop in remittances from abroad, and counterproductive economic policies buffeted the country. Sluggish economic performance over the past decade, attributable largely to declining annual rainfall, has reduced levels of per capita income and consumption. A large foreign debt and huge arrears continued to cause difficulties. The situation worsened when in 1990 the International Monetary Fund took the unusual step of declaring Sudan non-co-operative because of its non-payment of arrears to the Fund. After Sudan backtracked on promised reforms in 1992-93, the IMF threatened to expel Sudan from the Fund. To avoid expulsion, Khartoum agreed to make payments of its arrears to the Fund, liberalize exchange rates, and reduce subsidies. These measures have been partially implemented and caused difficulties for citizens in their daily life. The continued prosecution of the civil war and the government's growing international isolation during its first years led to a further deterioration of the non-agricultural sectors of the economy.20

To break through such chronic situations the government formulated the national comprehensive strategy for the country in the year 1992, planning for a comprehensive development during ten years of applica tion. For the country's foreign policy the strategy recommended the formulation of what it called the "development diplomacy" which would take in account the transformation of the entire world towards the globalisation, free market and the new world order. As formal Western aid has a precondition that may undermine the country's sovereignty, the new development diplomacy should open new doors to find new partners in order to finance the development programs without any preconditions. Meanwhile the country would comprehensively apply a program of self-reliance while looking forward to attract foreign investment. Within this context the Sudan consolidated its policy of co-operation with the third

²⁰ See the internet: www.sudan.net

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world countries and reoriented its economic ties towards Asia in general and Malaysia in particular.²¹

The bilateral relations with Malaysia have been very important among a few other sources that Sudan relies on to finance the implementation of its development programs. Malaysia is the second largest investor in Sudan after China (Petronas Company Malaysia counted for 600 Million USD investment in the oil field). Moreover, relations with Malaysia have provided the Sudan with a strategically that the country could depend on, especially after the increased isolation that the government faced in the West and in the international arena, especially after the confrontation and the sanctions imposed on the Sudan by the United States. The bilateral relations between the Sudan and Malaysia covered other spheres beyond financing the Sudanese oil projects to the extent that many activities have been conducted between the two countries in the cultural, commercial, educational and political spheres.

Economic Spheres in Sudanese-Malaysian Relations

After the two countries signed two agreements of technical, cultural, educational and economic cooperation in 1990, a foundation of mutual understanding has grown and opened the door for shared economic activities between Sudan and Malaysia. As a result, many agreements had been signed during the last years such as the Agreement for the Promotion and Protection of Investment (signed on the 14th of May 1998), the Agreement for the Avoidance of Double Taxation (signed on the 7th of October 1993), Trade Agreement (signed on the 14th May 1998), Payment Arrangement Agreement (signed on the 11th of October 1996) and many agreements of investment in the mining and energy fields.²²

²¹ The Sudanese Comprehensive National Strategy: 1992-2002, Vol. 1, pg. 252.

²² Special file of Malaysian Prime Minister's visit to the Sudan, Sudan's Embassy Kuala Lumpur, 1998.

The most important agreements are those dealing with promoting cooperation, investment and trade. The two governments have recognized the need to strengthen the existing friendly relations between them. They have also recognized their desires to promote economic scientific, technical and cultural cooperation on the basis of equality and mutual benefit and have believed that such cooperation would serve their common interests and contribute to the enhancement of economic and social development of the peoples of the two countries. So they agreed to strengthen the economic and industrial cooperation on a long-term basis. Hence, the investments made by investors of either country in the territory of the other shall receive treatment which is fair and equitable and not less favorable than that accorded to investments made by investors of any third state. In the same line the two countries agreed that each country should grant the other most favored nation treatment in all matters relating to custom duties and foreign trade formalities in connection with importation and / or exportation of products. These agree ments have encouraged many businessmen and companies from both sides to work in different fields of investment. Among the common companies with business interests in the Sudan are Petronas "petroleum and gas", Advance Synergy "mining and hotels" and Tabung Haji "plantation".

Petronas Company has started working in the oil industry in Sudan since 1996. The company representatives visited Sudan in 1992 to evaluate potential business. In 1996 joint studies were conducted with the Ministry of Energy and Mining in Kuala Lumpur and a proposal for an oil exploration project was submitted in the same year. In 1997, the company shared 30 per cent of the total fieldwork of oil exploration projects in Sudan with other international companies in a consortium, known as the Greater Nile Petroleum Operation Company Ltd., which was formed after the signing of a thirty-year exploration and sharing agreement. The other members of the consortium are China National Petroleum Corporation (40%), Canada's State Petroleum (25%) and Sudapet (the Sudanese National Oil Company) with 5%. ²³

²³ Mohammed Elamin, First Shari' ah, then Oil: from Hegleig to Bashair in 20 years, in Impact International Magazine, August 1999, pg. 12.

The project that Petronas is venturing into is divided into two sectors, namely Upstream and Downstream. The Upstream activities cover exploration, development and production, costing USD 1 billion and the Downstream activities include the construction of an export pipeline from the oilfield to Port Sudan on the Red Sea. The pipeline (1,600 km) has a capacity of 250,000 barrels per day and along its course there are six pumping stations and an export terminal called Bashair. The Downstream project costs another USD 1 billion. Petronas investment in Sudan, exceeding the amount of RM 2,280 million (\$600 million), is the largest in a foreign country and gave the company joint rights over the oil fields covering 48,914 sq. km in the Muglad basin in western Sudan. Petronas has also been awarded the management consultancy services contract for the project through its subsidiary OGP Technical Services Sdn Bhd. By the year 1999, more than two hundred Petronas staff and their families have settled in the Sudan working in different fields of the growing oil industry in the country.²⁴

The entry of Petronas into the Sudan formed part of the company's global drive that began in 1990. This program was primarily driven by the need to secure additional petroleum reserves for Malaysia, to induce growth in the company's business and provide new challenges to its staff.²⁵ However, it is believed that Petronas' entry would not have happened unless there had been a special request from the Sudanese government to the Malaysian government in order to direct Petronas' investment for entering the Sudan due to the increased ties between the two countries. For Malaysia it was a chance to put into practice its concept and framework of the South-South cooperation and smart partnership, which necessitated that Petronas and other Malaysian companies contribute to the Sudanese development programs. So, Petronas helped to set up skill development centers and a research center in Sudan in anticipation of the growth of the petroleum industry. The company participated in the development of a petroleum laboratory for the Ministry of Energy and

²⁴ Special report from Omer Suhaimi, Country Manager-Sudan, Petronas Company, 11th November 1999.

²⁵ New Straits Times, Kuala Lumpur, August 16, 1998.

Mining, besides holding joint studies for the upstream technical evaluation of northern blocks and for the expansion of Port Sudan refinery.²⁶

As a result of the mutual understanding on the arrangement of payment between the Sudan and Malaysia, the government of Malaysia has appointed Lembaga Tabung Haji and Jawala Corporation Sdn. Bhd. as the exporter of Palm Oil from Malaysia to the Sudan under the Palm Oil Credit Payment Arrangement (POCPA). The contract value is USD50 million. Lembaga Tabung Haji is assigned 40% of the contract value, that is USD20 million and 60% goes to Jawala Corporation Sdn. Bhd. The Memorandum of Understanding between the government of the Sudan and Bank Negara Malaysia was signed on 23 July 1999 in Kuala Lumpur. The agreement calls for the Sudan Oil Seeds Company and Lembaga Tabung Haji to conduct research on Palm Oil plantation and to export Palm Oil to the Sudan to the value of USD20 million repayable by Sudanese products through a counter-purchase agreement between the two companies. Lembaga Tabung Haji will export Crude Palm Oil, Refined Palm Oil, Palm Kernel Oil, Refined Bleached and Deodorized Palm Olein and Palm Stearin and any other Palm Oil products to be mutually agreed upon. Lembaga Tabung Haji will import Sesame Seeds, Groundnuts, Meat, Hibiscus Flower, Fruits and Vegetable, Livestock, Sunflower, Groundnut oil, Sorghum, and any other products to be mutually agreed upon.²⁷

Lembaga Tabung Haji is also interested in studying the possibility of cultivating Oil Palm in Sudan. Tabung Haji Plantations, the Palm Oil Research Institute of Malaysia (PORIM) and Sudan's International University of Africa are undertaking a study on this matter. Malaysia agreed already to send oil palm seedlings to Sudan for research conducted by the National Oil Production Institute and University of Gezira in Sudan.²⁸

²⁶ Beladi Magazine, issue no. 21, August 1999, pg. 26.

²⁷ Special report from Mohammed Haikal, Investment Management Division For Chief Executive Officer, LembagaTabung Haji, 27th November 1999.

²⁸ A. Ariffin & Isa Mansor, A PORIM TAS Country Study on Sudan.

Lembaga Tabung Haji is also looking into other investment ventures such as abattoir and meat canning. But these investments are still in the early stage of feasibility study.

Advance Synergy had also started a significant amount of invest ment in the Sudan since 1994. In that year, company representatives visited the Sudan looking for business potential in the country. Their first joint venture started in the tourism field when the company bought the Sudanese Grand Hotel. The reopening of the hotel after many renovations, in November 1999, was accompanied with the successes that the company achieved in the field of oil industry in the Sudan. The company had entered these fields after it had been given a concession by the Sudanese government together with its Qatari partner, the Gulf Company for Petroleum, in order to work in the oil exploration fields in Adarail and Melut in Southern Sudan. Though the quantity of the oil in this area is not as large as that in other fields in the Western Sudan, the work in it has its significance economically as well as politically. It was the entry of Advance Synergy into these fields which gave good indications about the stability and safety of the area that assured other companies to enter Sudan for investment in the oil industry.²⁹

Generally, the size of Malaysian investment in the Sudan has increased as it was promoted during the exchange of visits between the officials of the two countries. The Sudanese officials' visits to Malaysia during the last decade amounted to two visits by President Omer Hassan Ahmed al-Bashir and 28 visits by Ministers (External Affairs Minister visited Malaysia three times and the Energy and Mining Minister visited it four times).³⁰ Many other visits were paid to Malaysia by other high-ranking Sudanese officials and businessmen during the same period. The first visit by the Sudanese President in 1991 was decided upon to expand the scope of relations between the two countries and to pave the way for new horizons in the technical, commercial and economic cooperation.

²⁹ Interview with the Chairman of Advance Synergy in his office in 14th November 1999.

³⁰ Quoted in Adwaa No. 7, June 1998.

The second visit came as a result of an invitation by Malaysian Prime Minister, Dr. Mahathir Mohammad, for the Sudanese President to participate in the Fourth Langkawi International Dialogue 1999 (LID '99). The dialogue was held under the theme "Managing Economic Recovery for Shared Prosper ity: the Smart Partnership Approach". It was attended by 250 representatives from different countries including many heads of states and governments. The bilateral discussion between the Sudan and Malaysia concentrated on promoting business and joint ventures between the two countries. An agreement had been concluded for a railway project in the Sudan undertaken on a joint venture basis by the private sectors of the two countries. Other agreements also were signed opening the door for Malaysian investment to enter the fields of energy and electricity supply, transportation as well as the establishment of a communication network between the two countries.³¹

Meanwhile, the exhibitions that were held in the two countries played the same role of creating mutual understanding between the Sudanese businessmen and their Malaysian counterparts. The Sudan Week organized in Kuala Lumpur in 1994 was the first to play this role effectively, as the Malaysians honored the participation of many Sudanese businessmen and Sudanese financial institutions. Following the Sudan week in Kuala Lumpur, many Malaysian companies and businessmen flew to Sudan to participate in the exhibitions that were held in Khartoum International Fair. In November 1999, thirty-four Sudanese businessmen and companies' representatives participated in the Malaysian-Arab Fair 99, which was held in Kuala Lumpur. Along the same line, the Malaysian-Sudanese Friendship Society has finished preparation for holding Malaysia Week in Sudan at the beginning of the year 2000.³²

The increased investment and business between Sudan and Malaysia created strong links between the two countries and considerable waves of people started to fly between these destinations. The Sudanese

³¹ The Star Newspaper, Kuala Lumpur, Tuesday 27, July 1999.

³² Beladi Magazine, issue No. 1, May 1998, pg. 14.

embassy in Kuala Lumpur estimates that a number of 137 visas per month are issued to Malaysians wishing to visit the Sudan, while a number of 47 Sudanese enter Malaysia every month.³³ In 1999 the number of Sudanese residents in Malaysia reached 229 people with their families; 165 of them are working as lecturers in different Malaysian universities, Arabic language teachers, engineers and skilled workers in various fields.³⁴ On the other hand, Malaysian residents in Sudan exceeded the amount of three hundred people with their families; most of them are Petronas staff working in the newly-started oil industry.³⁵

At the beginning of the 1990s, trade between the Sudan and Malaysia witnessed a rapid growth. This was mainly due to the embargo imposed on Sudan by the West, which caused the country to change its trade towards Asia in general and Malaysia in particular. At the same time, the relations between the two countries started to be closer, especially after the visit paid to Malaysia by the Sudanese President. There were trade ties between the Sudan and Malaysia before1989, but the balance of trade started to record a significant increase only after the current government in Sudan came to power.

In 1990, the balance of trade between the Sudan and Malaysia recorded that the Sudanese imports from Malaysia amounted to RM 35.6 million (US\$ 14.2 million). Then the amount increased gradually to reach a value of RM 49.1 million, RM 47.6 million and RM 48.9 million in the years 1991, 1993 and 1994, respectively. A sudden increase in the amount of imports was recorded in 1995 and 1996 due to the entry of Petronas into the oil industry in the Sudan, which demanded heavy equipment to be imported by the Sudan from Malaysia. The imports in these two years amounted to RM 82.9 million (US\$ 33.2 million) but in 1997, the amount decreased to RM 40 million.

³³ Interview with the Sudanese Councilor in the Sudan's Embassy Kuala Lumpur on the 16th November 1999.

³⁴ Special report at the end of the session for the secretary of the Sudanese community in Malaysia, November 1999.

³⁵ New Straits Times, May 18, 1998.

In 1998, the Sudan's imports from Malaysia amounted to RM 65.6 million (US\$17.3 million) and in 1999, from January to August, the imports amounted to RM 64.2 million (US\$16.8 million) representing 0.01% of Malaysia's total trade with the outside world. However, this amount recorded an increase of 40.8% from RM 46.6 million (US\$12.3 million) in 1997. Major imports items from Malaysia were electrical apparatus, boards and panels, palm oil, machine tools and natural rubber which accounted for 61.2% of Sudan's imports from Malaysia. By the same token, the Sudan became one of the three largest African states importing palm oil from Malaysia after South Africa and Egypt.

The balance of trade between the two countries has always been in Malaysia's favour. The Sudanese exports to Malaysia amounted to RM 591,380.00 and recorded figures between RM 250,000.00 to RM 300,000.00 in the following years. Only in 1995, the Sudanese exports amounted to RM 2.9 million (US\$ 1.2 million). The main export items to Malaysia, as appeared in the balance of trade, are cotton, semiconductor devices, aircraft and associated equipment, automatic data processing machines and special transactions and commodities, which accounted for 94.9% of Sudan's total export to Malaysia. But, except for cotton, the above mentioned items are believed to be re-exported from Sudan, as they are not Sudanese products. However, the Sudanese exports are to be analyzed within the context of the Sudanese economic performance in general, as the country is economically weak and there is an indirect embargo imposed on it. It is important to note here also that the newly-started oil industry will predictably balance the trade between Sudan and Malaysia but this will not appear in the balance of trade until the fiscal year 2000.³⁶ (See table 1: Sudan's trade with Malaysia).

³⁶ Ministry of International Trade and Industry Malaysia, Department of Statistics.

Year	Exports	Imports	Total Trade	Balance of Trade	
1990	0.5	35.6	36.1	-35.1	
	(0.2)	(14.6)	(14.4)	(14.0)	
1991	0.2	49.1	49.3	-48.9	
	(0.08)	(19.7)	(19.9)	(19.7)	
1992	0.3	64.5	64.8	-64.2	
	(0.1)	(25.8)	(25.9)	(25.6)	
1993	0.1	47.6	47.7	-47.5	
	(0.04)	(19.0)	(19.0)	(19.0)	
1994	0.5	48.9	49.5	-48.4	
	(0.2)	(19.6)	(19.8)	(19.4)	
1995	0.5	89.2	92.2	-88.7	
	(0.2)	(35.7)	(36.9)	(35.50	
1996	0.2	82.9	83.0	-82.8	
	(0.08)	(33.2)	(33.2)	(33.1)	
1997	0.3	46.3	46.6	-46.0	
	(0.08)	(12.2)	(12.3)	(12.1)	
1998	0.2	65.4	65.6	-65.2	
	(0.05)	(17.2)	(17.3)	(17.2)	
1999	0.06	36.8	36.9	-36.7	
Ian-July	(0.02)	(9.7)	(9.7)	(9.7)	

Table 1: Sudan's Trade with Malaysia

Note: Value in RM Million. Value in parenthesis in US\$ Million. Exchange Rate: 1990-1996 (US\$ 1=RM 2.5). 1997-1999 (US\$ 1=RM 3.8).

Source: Department of Statistics, Malaysia, December 1999.

The Sudanese Oil Project

The oil exploration and production project is the most valuable project that has been implemented in the Sudan with the support of Malaysia. This project gives the relations between the two countries its significance and importance, as it is the most vital development program that has been formulated by Sudanese governments since the 1970s. The current government wagered on the oil production projects to start its planned programs that would enable the Sudan to be an ideal powerful Islamic state capable of addressing its citizen's demands and being a model for the Islamic world. On Monday the 6th of June 1999, President al- Bashir turned the wheel of the newly-completed oil pipeline and so began the journey of the Sudanese crude all the way to the Red Sea and beyond. This historic moment was a closing chapter in the long and extraordinary struggle to exploit Sudan's petroleum that has spanned over 20 years.³⁷

The first Sudanese oil project started as early as the country achieved its independence. However, the project came to a head after the oil crisis at the beginning of the 1970s. Before that time many licenses had been given to different companies to explore the oil in the Red Sea offshore such as AGIP, American Pacific, Ball and Collins and Oceanic Exploration, but the results were very poor. After the oil crisis of the 1970s, the government's attention towards petroleum exploration investment became a priority due to the increase of oil value and prices. At that time, Chevron company started to show interest in exploring oil in the interior parts of the Sudan, which reflected the increasing amount of interests of the United States in Sudan. This was due to declining oil production in the United States and increasing demands by the OPEC countries that led to rapidly expanding foreign exploration activity in a number of new areas. However, this matter coincided with the internal political change in Sudan, which at that time reoriented its foreign policy towards the West after successfully aborting a communist coup and putting an end to the civil war in southern Sudan.³⁸

In 1973, Chevron's growing interests in the Sudan was further stimulated by a regional geologist study that showed a "Rift Valley" across the volcanic belt that flares out southeastward toward Kenya and northwestward towards the Sudan. The study gave an indication that the Sudan depression might be the surface expression of part of an aborted

³⁷ Impact International Magazine, Vol.29, No. 8, August 1999, pg. 12.

³⁸ Al-Mal wa al-Aamal Magazine, No. 4, April 1999, pg. 20.

interior African rift system, which could be postulated to expand from Benue Trough in Nigeria, through Chad into Sudan and southeastward into the Lamuembayment in Kenya. Geologists noted the presence of marine Jurassic and Cretaceous sediments in Kenya and Ethiopia and speculated whether such sediments could be present in significant amounts in the Sudan.³⁹

In 1974, a delegation from Chevron visited Sudan for further geological data and to assess the lease situation and general conditions in the country. The delegation reported that there is a considerable expected amount of oil in the Sudan and most importantly that there appeared a high stability in the country with a recognized peace, if not completely a harmonious association. The American embassy appeared to have a great deal of confidence in the present government in Sudan, which was friendly and pro-American. Following this visit, the Sudanese government signed with Chevron on November 23, 1974 an agreement that gave the company an exploration license in the oil fields in the Sudan.⁴⁰

In mid-March 1975, as the aeromagnetic survey was being carried out, the geologists explored two basins. The larger, in the northwest, which was named the Muglad basin, covered an area of roughly 250 by 700 kilometers and appeared to have more than 7000 meters (23,000 feet) of sediments. The second, named Melut, measured about 130 by 500 kilometers and had more than 4000 meters (13000 feet) of sediments. Quickly after this exploration, Chevron started negotiation with Khartoum to develop the Oil Mining Lease and on October 12, 1975 a modern Production Sharing Agreement was signed between the company and the Sudanese government. Though the government at that time announced that the agreement was satisfactory to the Sudan, many analysts testified that it was totally in favor of Chevron. Soon after, the company's team developed a number of locations for drilling before bringing in a rig for the drilling program, which started in late 1977. After

³⁹ Allan V. Martini, Beyond Khartoum: Petroleum Exploration and Discovery, pg. 161.

⁴⁰ See Ibid, pg. 174.

many unsuccessful drillings in the area of El Muglad and Bentiu, the company team discovered large amount of oil in Abu Gabra and the Unity area. In March 1979, oil shows were encountered in the Abu Gabra well located 50 kilometers west of El Muglad. The well was completed in July and 575 barrels per day flowed out of it. On the other location, Unity Well, which was completed in February 1980, oil flowed at the rate of 2939 barrels per day. The ultimate result of further explorations was the discovery of several hundred million barrels of oil in reserve around the two areas.⁴¹

The discoveries at Abu Gabra and especially Unity brought the demand from the government for an early oil project that would help ease the desperate economic conditions of the country during the late 1970s, but this never happened. On the morning of 4 February, 1984, Southern Sudanese rebel forces attacked the Chevron operations base near Bentiu, killing three employees of Chevron's contractors. As a result the company announced that because of instability and insecurity in the region, it was withdrawing from the Sudan.42 However, many analysts asked why Chevron had chosen to start its operations in a disturbed area and ignored safe and secure areas in western and northern Sudan. They came to the conclusion that Chevron's withdrawal had to do with the American policies at that time, which though still supporting Nimieri, felt uncomfortable with the introduction of Islamic laws in 1983. Besides, the United States realized that the deteriorating security situation in the Sudan would lead to the eventual downfall of Niemiri, while they still had some trepidation about what the future might yield.

The next nine years witnessed a long and tough negotiating battle by several administrations trying to persuade Chevron either to resume the operations or make another agreement with the Sudanese authorities. The breakthrough came in 1991, when the Sudanese government presented Chevron with two choices: either to resume the operations or to sell off the concession and leave the country. The company accepted the second

⁴¹ See Ibid, pg. 185.

⁴² Impact International Magazine, Vol.29, No.8, August 1999, pg. 13.

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option and sold its concession to a Sudanese businessman, Muhammed Abdulla Jar al-Nabi. Presumably, the Americans believed that the Sudanese lacked both the expertise and will to embark on such a huge project.⁴³

Shortly afterwards, the government bought the concession and started producing oil from Abu Gabra in Western Kordofan at a rate of 2,000 barrels per day and soon this was followed with a construction of a small refinery. However, the big breakthrough came in 1996 when an international consortium was formed to tap Sudanese petroleum. This consortium comprised the Chinese State Petroleum Company, the Malaysian State Oil Company (Petronas), a Canadian company State Petroleum (since bought by Talsiman Energy) and the Sudanese State Petroleum Company (Sudapet). The consortium was named Greater Nile Petroleum Operating Company (GNPOC). The GNPOC embarked on various projects towards the realization of the export of Sudanese petroleum. The first was the construction of a 1610 kilometer pipeline from the oil fields in the Western Sudan to the newly constructed oil export terminal on the Red Sea, called Bashair. The second major develop ment is the construction of the Khartoum Oil Refinery that is to be completed by 31 December 1999, with a capacity of 50,000 barrels per day at a cost of 600 million US dollars.

The Sudanese oil project started a production of some 150,000 barrels per day in August 1999. Sudan's current consumption stands at around 65,000 barrels per day, leaving a surplus for export. By the turn of the century, production is expected to rise to 250,000 barrels per day, equal to the current production of Bahrain, and possibly 400,000 barrels per day in the foreseeable future. In August 1999 the first Sudanese exported oil was sent to Singapore opening the door for a new era for the Sudan as an oil state. ⁴⁴

44 Ibid.

⁴³ Quoted in an interview with Dr. Awad al Jaz, the Sudanese Energy and Mining Minister, in Beladi Magazine, No. 21, August 1999.

Cultural Spheres in Sudanese-Malaysian Relations

The Sudan and Malaysia share Islamic culture and heritage, which gave the relations between them a distinctive additional dimension. The first contact between the people of the two countries is believed to have started long ago during the Malays' travel as pilgrims to Makkah. During these contacts a Malay pilgrim called Tappal brought to Kelantan the Sufi Tarigah of al-Ahmadiyah al-Idrisiyah, which he adopted from some of Shiekh Ahmed Idris' students in Makkah. In the 1920s, another pilgrim called Haji Mohammed Saeed adopted the tarigah and had the permission to spread it into Peninsular Malaysia. Many Malays were initiated into the tarigah from Haji Mohammed Saeed in his birthplace, Negri Sembilan, and he kept teaching the tarigah principles until he died in 1927. He was succeeded by his son, Abdullah, who expanded the tarigah into other states in Malaysia and further into Singapore. During all these years and until today, the contact between the branch of the tarigah in Malaysia and their head of shiekhs in the Sudan has never stopped. As well, they visited the Sudan for the sake of meeting their shiekh. The head of shiekhs himself visited Malaysia many times. In July 1999, Shiekh Ahmed bin Idris, the head of shiekhs, visited Malaysia where he met his students and followers and invited many Malaysians and Singaporeans to adopt the tarigah. He also presented a lecture at the International Islamic University Malaysia about Sufism in Islam.45

After formulating its strategy in 1992 for the coming ten years, the Sudanese government mobilized its forces to implement a foreign policy that would promote friendly relations and open doors for foreign investment. One of the main forces used in this process was the non-governmental friendship societies, which the government reorganized in the Council for the International People's Friendship (CIPF). As a result, a new formation of the Sudanese-Malaysian friendship society that was endeavoring to consolidate the relations between the people of the two countries, came to reality following the signing of a

⁴⁵ Interview with Haji Nizar bin Haji Hassan, the Idriseyah Tariqah Shiekh, in his house on 13th November 1999.

memorandum of understanding between the Sudanese and their Malaysian counterpart. The memorandum of understanding stipulated working for promoting further the distinguished relation linking the two countries through the exchange of information and experiences and facilitating the movement of businessmen and commodities between the two countries. While exerting efforts for holding Malaysia Week in Sudan, many of the goals of the Sudanese friendship society were achieved after November 1995 when the society held the Sudan Week in Kuala Lumpur.⁴⁶

The Sudan Week in Kuala Lumpur contained two types of activities the first of which was displaying the Sudanese investment opportunities. It was demonstrated by public companies operating in the field of invest ment in the Sudan, including the state-owned and commercial banks. On the sidelines of the week a number of meetings were held between the representatives of the Sudanese economic sector (the Cotton Company, Oil-Seeds, Bank of Khartoum Group, Nilien Bank Group), and their Malaysian counterparts. These meetings came up with initial agreements between the two sides in the investment field in which the Malaysian investment sector could contribute in developing the Sudanese resources in general and the agricultural sector in particular.

The second type of activities that was displayed during the week was the cultural activities. The week was accompanied by shows from the Sudanese national folklore troupe and many Sudanese singers, besides exhibitions of Sudanese cultural heritage, folklore and wildlife. The cultural activities were received with great admiration by the visitors, as it was the first of its type for Malaysians to know about the cultural heritage of the Sudan. A number of higher education institutions and universities, also, participated in the week. They concluded some agreements on cooperation in the field of higher education, including cooperation between the University of Khartoum and the International Africa University on one hand and the Malaysian Universities on the other hand in the field of exchanging of scientific experiences and joint cooperation.⁴⁷

⁴⁶ The Sudanese Comprehensive National Strategy: 1992-2002, Vol.1, pg. 254.

⁴⁷ Beladi Magazine, No. 1, May 1998, pg. 14.

On the other hand, the Malaysian friendship society played a major role in promoting the relations between the two countries, especially in the economic field. The chairman of the Malaysian-Sudanese Friendship Society visited the Sudan after one month of the Sudan Week in Kuala Lumpur. He was accompanied by a number of economic investors to continue talks with the Sudanese banks and public corporations for investment about what had been agreed upon during the Sudan Week. This is besides the concerted efforts for holding the Malaysia Week in the Sudan to reflect the Malaysian culture and the economic activities for the Sudanese. The society also works for promoting the exchange of visits and it has supported a program for sending Malaysian students to the Sudan to learn Arabic language and Qur'an.⁴⁸

The exchange of students is another area of cultural interaction between the Sudan and Malaysia. Since the current government came to power in Sudan, it has put great consideration on higher education. Before 1989, there were five universities, which could not satisfy the needs of a country like the Sudan. Only 10 percent of the graduate students from the secondary schools could find a chance to enter institutions of higher education. As a result, revolutionary decisions were taken to expand higher education and twenty new universities were opened in different states in the country. This huge number of universities was faced with a deficit in the qualified lecturers and academic staff, a matter that compelled the government to look for further training for its newly recruited staff.⁴⁹

In 1996, Dr. Abdel Hameed Othman, a Minister in the Prime Minister's office, agreed to offer a partial scholarship to twenty teaching assistants from different Sudanese universities to pursue master and Ph.D. degrees in various Malaysian Universities. Furthermore, many agreements between the Sudan and Malaysia were concluded to implement similar

⁴⁸ Interview with Dr. Mohammed Ali Bahroom, Chairman of the Malaysian-Sudanese Friendship Society, in his house on 17th October 1999.

⁴⁹ Muhammed al-Amin Khalifa, Taqweem Ada' thawrat al-Inqaz al-Watani Khilal Ashara Sanawat, pg. 216.

programs, which benefited until 1999 more than 120 students doing their master and Ph.D. degrees in different Malaysian universities.⁵⁰ (See table 2: Sudanese Universities' staff studying in Malaysia).

The Sudanese community in Malaysia is playing a distinct role in promoting the relations between the two countries. The community comprises mainly lecturers in different Malaysian Universities, Arabic

Sudanese Universities	total	Master	Ph.D.	Malaysian Universities					
				UPM	UKM	UIA	UTM	USM	UM
Khartoum University	20	9	11	13	0	6	0	0	1
Gezierah University	18	11	8	13	1	4	0	0	0
Omudurman Islamic University	9	2	7	2	0	3	1	0	3
Sudan University	14	7	7	3	1	6	4	0	0
Juba University	6	1	5	4	1	0	1	0	0
Bahr Gazal University	3	3	0	1	2	0	0	0	0
Upper Nile University	6	6	0	6	0	0	0	0	0
Al Gedarif University	4	3	1	1	1	0	1	1	0
Dongla University	2	0	2	2	0	0	0	0	0
Nilein University	3	2	1	2	0	0	0	0	1
Kurdufan University	4	0	4	2	0	0	2	0	0
Fashir University	1	0	1	0	0	0	1	0	0
Nyala University	2	1	1	1	0	1	0	0	0
Dalanj University	3	3	0	0	1	1	1	0	0
Sennar University	3	0	3	2	0	0	0	0	1
Mahdi University	3	2	1	0	0	1	2	0	0
Total	107	56	51	52	8	27	13	1	6

Table 2: Sudanese universities' staff studying in Malaysia

Source: Cultural Attaché, Sudanese Embassy in Kuala Lumpur Date: 12 December 19.

⁵⁰ Interview with the Sudanese Cultural Attaché, in the Sudan Embassy Kuala Lumpur, on 17th November 1999.

teachers, engineers and skilled workers in various fields, besides a considerable number of post graduate students doing their studies in Malaysia. Before the promotion of relations between the Sudan and Malaysia the average Malaysian citizens could hardly have pointed the Sudan out on the map. It was only after the interaction with the Sudanese community members resident in various Malaysian cities, that the Sudan became a well-known country in Malaysia.

The Sudanese community in Malaysia is well-organized and holds many activities that reflect a worthy image of their country. As well, the Sudanese lecturers in different Malaysian universities interact positively with their Malaysian students. The Sudanese students in Malaysia represent their country regularly during their participation in various student activities. As an example, the Sudanese students' exhibition in the International Islamic University won many awards as the first exhibitor among all other students exhibitions during the Ummatic Week that is held every year in the university. Good relations already have been established between many Sudanese and Malaysia businessmen, professionals and political leaders that started during their studies together in United Kingdom or other parts of the world.⁵¹

Before 1996, the Malaysian community in Sudan comprised of only a few students that studied in Africa International University at Khartoum. Gradually the number of students increased and in 1999, their number reached 145 students; one hundred of them study at Africa International University while the others study Arabic language and Qur'an in special institutions. The students carried out many activities to introduce their culture and heritage to the Sudanese. First among these activities was their celebration of their national day in August each year in which they held a carnival and an exhibition. After the entrance of Petronas company into the oil exploration project in the Sudan a number of Malaysian families flew to the Sudan to work in the oil industry. In 1997, two hundred Malaysian families settled in Khartoum and the number reached three

⁵¹ Special report at the end of the session for the secretary of the Sudanese community in Malaysia, November 1999.

hundreds in 1999.⁵² The rush of Petronas professionals and skilled workers created waves of interaction between the Sudanese and the Malaysians and the ties between the two peoples are cemented by the Islamic beliefs, which promoted the link between the two nations. As a result, the movement between the two countries witnessed a rapid activation and both of them now have good opinions of each other.

Political Spheres in Sudanese-Malaysian Relations

The Sudanese foreign policy after independence had been decidedly non-aligned and the country supported the cause of the Third World countries. Its representatives were active in the Afro-Asian People's Solidarity Organization, African Unity Organization, the Non-Alignment Movement and the United Nations to the extent that the Foreign Minister in the first independence government, Mohammed Ahmed Mahjoub, was nominated to be the Secretary General of the UN by most of the Afro-Asian countries. While, on the other hand, Malaysian foreign policy was classified as pro-Western at that time. This was mainly because the independent state of Malaya was weak and relied on the Anglo-Malayan Defense Agreement (AMDA) to enhance its security amid the surround ing communist resurgence. Though the Malayan leaders tried to support the Third World cause in the UN over some issues, but many of its stances had provoked the non-aligned countries. For instance, Malaya was particularly criticized for its participation in the UN Congo peacekeeping, its support of the American bombing of North Vietnam and largely its stance on South Africa apartheid policy. These attitudes, coupled with the confrontation with Indonesia during 1963, resulted in many harmful outcomes for the country, especially at a time when independent Malaya was attempting to win new Afro-Asian friends. In May 1965, an unofficial delegation, led by UMNO MP Dr. Mahathir Mohamad, attended the Afro-Asian Peoples' Solidarity Organization Conference at Winneba, Ghana, but its application to join the organization was rejected. In the same

⁵² New Straits Times, 18th May 1998.

year another delegation to the Non-Alignment Organization Conference at Cairo, Egypt, suffered the same fate. ⁵³

Naturally, the relations between the Sudan and Malavsia during this era were passive; occasioned by confrontation during their participation in the international and regional organization. It was only in the early 1970s that the Sudanese and Malaysians started to cooperate in different international organizations, as a new posture occurred in Malaysian foreign policy towards the Third World countries in general and the Muslim countries in particular. At that time, the two countries shared identical views over many of the international issues since they are both member states in the Organization of Islamic Conference (OIC) and the Non-Aligned Movement (NAM). Malaysia, on its side, committed itself to the Arab cause during their war against Israel, especially in mobilizing the Asian countries to support the Arab formulated resolutions in the UN against Israel. The immediate result of this posture in Malaysian foreign policy was the exemption of the country from the oil cutbacks during the 1973 energy crisis. But in the long run this foreign policy created a mutual understand ing between Malaysia and different Arab countries including the Sudan.54

However, the framework for cooperation between the Sudan and Malaysia continued to be within the international and regional organizations. The Sudan and Malaysia worked within their regional groupings to map out and marshal, through the UN general Assembly, the resolution on the New International Economic Order (NIEW). At that time, the developing-world posture in the foreign policy of both the Sudan and Malaysia appeared to take a more forceful orientation, mainly on the basis of the national interests of both countries rather than a radical ideological stance. Their work was consolidated towards an agreement on a code of conduct for a decision on monetary reform favorable to the Least

⁵³ John Howell and M. B. Hamid, Sudan and the outside world: 1964-1968, pg. 307.

⁵⁴ J. Saravanamuttu, The Dilemma of Independence: Two Decades of Malaysian Foreign Policy, pg. 17.

Developed Countries, LDCs, in the International Monetary fund (IMF). Along the same line and within this framework of mutual understanding, the Sudanese government took a strong stance supporting the ASEAN proposal during the Cambodian crisis, despite the reliance of the government at the same time on US economic and military aid.⁵⁵

After the visit paid to Malaysia by the Sudanese President in 1991, the cooperation between the two countries in the political spheres witnessed a rapid development. The Sudanese government after two years in office was placed in total isolation by the regional and the international powers, especially after the Second Gulf War. Understandably, the government was looking for a relief, or in another word, for a window to break through this isolation. It had reoriented its trade and economic ties towards Asia, seeking further support and financing for its development projects. However, for the political cause, Malaysia was among only a few nations that the Sudan had a framework of mutual understanding and cooperation to deal with.

The newly promoted political cooperation between the Sudan and Malaysia came to be closely examined when the International Monetary Fund took the unusual step of declaring the Sudan non-cooperative because of its inability to pay arrears to the Fund. After Sudan backtracked on promised reforms in 1992-93, the IMF threatened to expel the Sudan from the Fund. It was in these times that Malaysia played a major role to support the Sudan against the threat from the Western countries, especially the United States. However, the expulsion was avoided and a new agreement for the installment of payment was agreed upon as a result of the Malaysian efforts to assist the Sudan inside the IMF.⁵⁶

In 1995, a further abrupt threat was directed towards the Sudan after the attempted assassination of President Mubarak of Egypt in Addis Ababa. It was alleged that the Sudan was involved in training and equipping the

⁵⁵ Mansour Khalid, The Government They Deserve, pg. 84.

⁵⁶ External Information Secretariat General, Sudan 98, pg. 44.

would-be assassins and sheltering three escapees.⁵⁷ Condemnation by the UN for failing to extradite the three to Ethiopia for trial led to moves to impose sanctions on the Sudan. Though the government denied the accusation, the Security Council endorsed three resolutions, No. 1044, 1054 and 1070, to compel the Sudan to hand over the three escapees. The Sudanese government protested strongly against such allegations without evidence and characterized the sanctions imposed on it as an imperialist threat against its independent and self-reliant Islamic project. The Security Council resolutions aimed at imposing sanctions on the Sudan by restricting government officials' movements outside the country, reducing the amount of resident representatives of diplomatic missions at Khartoum and banning any high-ranking officials from visiting the Sudan. Also the sanctions aimed at prohibiting any international conferences from being held in the Sudan and further to restrict the movement of the Sudan Airways, as it was alleged to have carried the three escapees into and out from Addis Ababa to execute their mission. During these times, Malaysia played a significant role in mobilizing support for the Sudan. Its efforts concentrated in clarifying that Ethiopia and Egypt gave insufficient evidence to accuse the Sudan; rather the whole affair was about attempts to impose sanctions on the Sudan for its "self-reliance programs" and its solid stance against "Western hegemony".58

By the same token, Malaysia continued its efforts not only to mobilize support for the Sudan but also to directly be involved in filling the vacuum after the withdrawal of the Western countries from aiding and financing the Sudanese development projects. This was apparent in the entrance of Petronas Company and Advance Synergy Sdn. Bhd. in financing the Sudanese oil project. Along the same line, Malaysian officials increased their number of visits to the Sudan as a sign of increased Malaysian support to the country. The visit paid to Khartoum by Dr.

⁵⁷ Peter Woodward, "Sudan: Islamic Radicals in Power", in John L. Esposito (ed.), Political Islam: Revolution, Radicalism or Reform?, pg. 106.

⁵⁸ Quoted in a speech by President Omar Bashir to the Sudanese community in Malaysia on 29th July 1999.

Mahathir Mohamad in 1998, was the first of its kind for a Prime Minister, not from African neighbors, to visit the country after the Security Council resolution restricting high-ranking officials from visiting the Sudan. However, the visit showed a high profile of cooperation between the two countries and gave an indication of the amount of interest which had been built in different fields between the Sudan and Malaysia. Further, in 1999, Malaysia sent its diplomatic staff to open the Malaysian Embassy at Khartoum for the first time, despite the decision of the United Nations to reduce the amount of representatives in diplomatic missions to the Sudan.⁵⁹

As the amount of Malaysian investment in Sudan increased after the entrance of Petronas into the oil exploration project, the cooperation between the two countries in the political fields reached its highest profile. Malaysia started to work hand in hand with the Sudanese government to ensure the success of the development projects that the two countries planned to achieve. When the Sudan signed the Sudan Peace Agreement in Khartoum at the Republic Palace on the 21st of April 1997 with the majority of the Southern rebellion groups, Malaysia's representative was one among the foreign witnesses to this historical moment. Since then Malaysia presented an initiative for mediation to settle the conflict in south Sudan. Malaysian Prime Minister Dr. Mahathir sent a special envoy for consultation and exchanging of views on the proposed solutions. The envoy visited a number of IGAD states and South Africa. A summit was also held in Pretoria, that comprised Ugandan President Museveni, and South African President Nelson Mandela, in full coordination with the Malaysian special envoy. The summit aimed at mediating between the Sudan and Uganda, which would open doors for a peaceful solution to the Southern problem. Further, Malaysia reiterated its announcement of its support to the Sudan to have the right over its own territory and the condemnation of any effort that aimed to compel the Sudan from exercising its right or to open the door for foreign intervention.⁶⁰

⁵⁹ See the Internet: www.sudan.net

⁶⁰ Quoted in an interview with Dr. Mustafa Osman Ismael, the External Relations Minister of the Sudan, in *Beladi Magazine*, No. 1, May 1998, pg. 4.

Understandably, it is believed that Malaysia has no capacity to play a hegemonic role by supporting the Sudan against the West for its own cause. Rather, the cooperation between the two countries could be analyzed within the South-South cooperation framework. The two countries shared identical views on different issues and suffered similar problems in applying their own programs of self-reliance and economic development breaking through the Western hegemony. For this reason Malaysia introduced the Sudan to Asian countries in general and the ASEAN countries in particular, which opened for the country a new window to break through the indirect embargo imposed by the Western countries since the beginning of the 1990s. The Malaysian assistance in this area could explain the expansion of the Sudan resident representative missions in Asian countries, which increased from four to nine resident missions after the Sudan opened five embassies in various Asian countries. Further, as a result of Malaysian mediation, Japan invited Sudan to participate in Tokyo International Conference on African Development (TICAD II), which was held in Tokyo on the 19th October 1998. Sudan's participation in this conference signified not only a breakthrough in the issue of the Western embargo but also an acceptance for the Sudan in the Asian circles.61

Moreover, with Malaysian assistance the Sudanese embassy at Kuala Lumpur extended its diplomatic mission to represent the Sudan in the area that comprises the Philippine, Thailand, Australia, Singapore and Brunei. In October 1997, the Sudanese ambassador in Kuala Lumpur presented his letter of credentials to the Thai King and was fully recognized as the representative of the Sudan in Thailand. Immediately, after this recognition the total trade between the Sudan and Thailand increased one hundred percent, and interestingly enough, in favor of the Sudan. At the same time, Thai businessmen participated significantly in the Khartoum International Fair in February 1998 and their companies promised further involvement in business in the Sudan. Furthermore, many Filipino companies showed their interest to invest in oil exploration. Along the same line, the Sudanese Minister for External Affairs visited Brunei

⁶¹ See the Internet: www.africapolicy-info@igc.apc.org

in May 1998 and discussed with the Sultan of Brunei the promotion of Brunei investment in the Sudan.⁶²

A general look at the political cooperation between the Sudan and Malaysia would view the relations as having one direction, which would benefit the Sudan only. But on the other side of the fence, a deeper analysis would share the view that there had occurred mutual benefits for the two countries. The high profile of cooperation between the Sudan and Malaysia in the international organizations led each country to support the matters related to the other. By the same token, both countries shared identical views on matters that have great impact on their development programs or their political identification, such as human right issues and their implications. Despite their agreement on the UN principles, the two countries stood strongly against the misinterpretation of these principles for the sake of Western domination. The Sudan, also, opened its door for the Malaysian investment on its vital development projects. Petronas Company shared 30 percent of the consortium that explored and executed the Sudanese oil project, and many other Malaysian companies shared joint ventures in different investment fields in the Sudan. This would entail a good reputation for Malaysia because the Sudan has its significance as the largest country in Africa with remarkable potentials to influence many African neighbor states. Notwithstanding, the importance of foreign trade for Malaysia's economic recovery and progress, the involvement in the Sudan would promote a worthy image for Malaysia as a good partner in trade and joint investment ventures.

Besides the direct cooperation in the political fields between the Sudan and Malaysia, the relations between the two countries entails another dimension in its political sphere. This dimension was indirectly revealed when the Sudan started its oil exportation in August 1999 with Malaysian assistance and financing to implement such vital projects. Politically speaking, the oil exportation has great value for the Sudan

⁶² Quoted in an interview with the Sudanese Ambassador in Kuala Lumpur, in "Adwaa", No. 7, June 1998.

and its effects reached into different fields beyond the economic one. A remarkable relief was witnessed in the Sudan's external relations imme diately after the announcement of the beginning of the oil production and exportation, especially with the European countries. In August 1999, the International Monetary Fund (IMF) took the decision that Sudan was no longer a non-cooperating country for the first time since 1986. Many observers related the decision not only to the well-performing Sudanese economy after 1995, but also to the successful story of oil production. At this point, the Sudanese-Malaysian cooperation weighted a fruitful result and promised breakthrough as a unique example for South-South cooperation.⁶³

Determinants of the Sudan's Foreign Policy towards Malaysia

It is not easy to point out the determinants of the Sudanese foreign policy towards Malaysia over the past ten years. But there are many indi cations in the history of the relations between the two countries that could suggest some of these determinants. The first indication that comes to mind is that the two countries are Muslim countries with shared history, heritage and religious values. However, the Islamic factors in the foreign policy of the Sudan, during the past years before the current government came to power, could hardly have been recognized. Even if they were there, other factors that determined the Sudanese foreign policy dominated the policy decision-making of those times. Only after the current government took power in 1989, have the Islamic factors become dominant and the policy-makers appeared to show strong sympathy to Islamic issues all over the world.

The Sudanese foreign policy since 1989 is believed to be inspired by the pan-Islamic thought of Dr. Hassan Turabi, who aspired to create a link between the Muslim countries all over the world and beyond the Middle East. For him the unity of Muslim countries is not a course of mobilizing

⁶³ The Internet: www.sudan.net

forces to counter the Western hegemony. This is because "the present trends towards unity derive more from the inside revival of Islam, as spirituality for society, rather than from the excitation of Islam as the battle cry... it is the common religious ideal, rather than the common enemy that draws the Muslims together".⁶⁴ Along this line, the Islamic movement in Sudan during its historical period had established a network of contacts with Muslim countries all over the world especially with countries like Turkey, Pakistan and possibly Malaysia.

On the other hand, the Islamic factors started to influence Malaysia's foreign policy only since the early 1970s. Before that, Malaysia had on the whole maintained a low profile in Islamic affairs, as reflected in the non-recognition of Israel, general support for Muslim causes, and participation in Islamic summit conferences since 1969. However, in June 1974, Malaysia hosted the Islamic summit in Kuala Lumpur advocating new terms of Islamic solidarity and identifying Malaysia with Muslim and Arab causes.⁶⁵ However, many scholars suspect that Malaysia's Muslim ties at that time suggest some degree of "posturing". For Malaysia, the goals of Muslim solidarity are vague and distant, a circumstance height-ened by Malaysia's geographical distance from the hub of Muslim activity in the Middle East.⁶⁶

Since the 1980s, Malaysia has started to be more committed to the Islamic cause. Many policies of Islamization have been introduced internally, such as the building of a network of Islamic commercial institutions and the opening of the International Islamic University. Moreover, the country under the leadership of Dr. Mahathir, exercised open and increasingly strong commitment to the Arab cause and Muslim solidarity.⁶⁷ However, it is not true to say that Malaysia has experienced the same pan-Islamic impact on its foreign policy as the Sudan has done,

⁶⁴ Quoted in Peter Woodward, Sudan: Islamic Radicals in Power, pg. 104.

⁶⁵ Foreign Affairs Malaysia, Vol.7, No. 2, June 1974, pg. 67.

⁶⁶ J. Saravanamutu, Malaysia's Foreign Policy, 1957-1980, pg. 147.

⁶⁷ Aziz Zariza Ahmad, Mahathir Triumph After Trials, pg. 69.

unless the relations between the two countries is inspired by Anwar Ibrahim, the former Deputy Prime Minister of Malaysia. Anwar Ibrahim is well known as one of the spearheads of the Islamic movement in the country and has strong links with the Islamic movements in the Middle East.

There is no doubt that the Sudan's foreign policy is influenced by the pan-Islamic thought in designing its relation with Malaysia and other Muslim Countries, searching for Muslim solidarity and the unity of the Islamic Ummah. But the Malaysian acceptance of such relations could not have originated from the same point. No one would deny the role of the former Deputy Prime Minister Anwar Ibrahim in promoting his country's relations with the Sudan. However, such relations could not reach the point of the high profile of cooperation and mutual understanding without the approval of the Prime Minister Dr. Mahathir Mohammad. This fact proved true especially after the detention of Anwar Ibrahim, as the relations continued to be stronger and reached into new fields of cooperation between the two countries.

Beyond the ideological motivations of the Sudan's foreign policy towards Malaysia during the last ten years, many other factors can be seen also as determining this policy. In 1983, the now Sudanese President Omer al-Bashir spent one year in the Malaysian Armed Forces Staff College as a trainee from the Sudanese Armed forces. During his stay, Omer al-Bashir forged good relations with many Malaysians, who became leaders of their formative country during the 1990s. Also, some prominent Sudanese figures in the current regime at Khartoum spent some of their years studying outside the Sudan, especially in the United Kingdom, with many Malaysian that now lead their country.⁶⁸ These relations have opened doors for mutual understanding between the leaders of the two countries. So, when both of them started to build up close ties with each other, they knew very well with whom they were dealing. However, these relations

⁶⁸ Dr. Ghazi Salahuddin, Minister of Information and Cultural Affairs and Dr. Zubair Bashir, Minister of Higher Education are among the prominent Sudanese who pursued their post graduate studies together with Malaysians in the United Kingdom.

could be seen as an assistant factor in implementing the policy after its initiation but it could not easily be the determinant factor of the Sudan's foreign policy towards Malaysia during the past ten years.

The Sudan's foreign policy towards Malaysia started to witness promotion in a time the country was facing an increased isolation in the international community. It was at the time that the country had already announced its pan-Islamic orientations and challenged the Western hegemony, especially during the Gulf War. The United States responded immediately with aggression and its confrontation ranged from direct and indirect support to the SPLA, indirect embargo, aid cutback, urging neighbors to oppose and bombs strikes. The confrontation with the US restricted other Western countries from any involvement in helping the Sudan economically. Finally, the country was compelled to reorient its trade and economic ties to the Asian countries as general and Malaysia in particular.

A deep analysis of the Sudan's foreign policy towards Malaysia during the past ten years would reveal that the economic factor has had great impact in determining the formulation of such policy. Though Malaysia could not be seen as an alternative to the United States and the West as centers of finance and political support for the time being, the relations between the two countries were recognized to be beneficial for both of them. The Sudan was looking for financial resources to implement its vital development projects that would help the country to claim self-reliant programs in order to chose its own ideological standpoint. The way ahead to be an exemplary Islamic state would start only after reaching a valuable degree of prosperity and development.

With other supporting factors, as mentioned above, Malaysia is one of the best alternatives that the Sudan could rely on for financial and political support. Besides the Malaysian development achievements, the country has endorsed a commitment to the Third World cause in the international arena. Concepts like South-South cooperation and smart partnership has great impact on Malaysia's foreign policy. In the case of South-South cooperation Malaysia, under the administration of Dr. Mahathir, once again succeeded in directing the concept to a more

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practical course. In such a course Malaysia committed itself to play a significant role in contributing financial aid to establish the institutions that would direct the future projects for more cooperation between the developing countries.⁶⁹ Because of this stance, Malaysia has been recognized as the best partner to provide financial assistance and even political support for the Sudan in searching for development and self-reliance.

Hence, there are many indications that the economic factors have great impact in determining the relations between the two countries. This was clear when the Sudan implemented its oil projects mainly with the financial support of China and Malaysia. The oil exploration was a dream during the past three decades for all the Sudanese governments. After the withdrawal of Chevron and the current government's isolation in the international community it was hardly believed that there was any possibility for implementing such a project. On the other hand, Malaysia's oil reserve is considered small and at the present rate of production, the country will be a net importer by the year 2010. The prospects of discover ing major oil fields at home are getting tougher. So, it is only natural that they go out to seek new reserves in chosen geographic locations to add to the nation's reserves.⁷⁰ As a result, the interest of both countries became similar to the other's, which assisted the Sudanese government to formulate a foreign policy of cooperation and mutual understanding with Malaysia during the past ten years. The formulation of this foreign policy could not gain success if there had not been a growing interest between the two countries to the amount that each of them would protect the interest of the other.

⁶⁹ Aziz Zariza Ahmad, Mahathir's Paradigm Shift, pg. 147

⁷⁰ Azrin Azmi, Building A Nation on Oil and Gas, in *Malaysian Business Magazine*, October 16, 1995, pg. 45.

Evaluation of Sudan's Foreign Policy towards Malaysia

In fact, ten years is a relatively short time to evaluate the Sudan's foreign policy towards Malaysia, as many of the projects between the two countries are in the planning stages or under construction. However, this evaluation will be helpful if it can come up with specific recommendations for the benefit of the two countries. Moreover, the relations have become more important during the last few years for analyzing the development and the changes within the Sudan because they are linked with vital development projects in the country such as the oil exploration and exportation project.

It is believed that Sudan's foreign policy towards Malaysia during the past ten years is initiated and supported by the leaders of the two countries. The visit of President al-Bashir to Malaysia in 1991 was the first step towards establishing the unique relations that the two countries exercised during the last decade. Along the same line, the Malaysian Prime Minister's visit to the Sudan in 1998 displayed the significant amount of mutual understanding that the two countries have reached. However, the promotion of relations to its current level has been achieved gradually, as many of the important projects were agreed upon after 1995.⁷¹

The Sudanese government has achieved remarkable success in attracting Malaysian investment to enter the country in very important areas like the Sudanese oil project. However, regarding this success in the context of the developing relations between the two countries, it will appear that there is still much work that is needed to reach the significant amount already estimated. Petronas' investment in Sudan has exceeded the amount of RM 2,280 million (\$600 million) and other Malaysian investment in Sudan can be estimated to reach the amount of \$200 million. But this is still not regarded as a huge investment considering the reputation that the relations between the two countries have already established and trying to maintain.

⁷¹ The entrance of Petronas into the oil fields in the Sudan started in 1996 and the agreements about Palm Oil importation and plantation concluded in 1999.

The Sudan is very rich in its natural resources and it is one of the few Third World nations with considerable economic potential, especially considering its abundant water and arable land. However, the country is in need of foreign investment in order to rebuild its essential infrastructures, which would facilitate the country to exploit these resources for the development of the country. The governmental entities account for more than 70% of new investments in different fields while concentrating more on mining, energy and transportation.⁷²

During ten years of increasing ties between the Sudan and Malaysia there are many agreements that had been concluded for investment in different fields in the Sudan. These projects range from a railway project, energy and electricity supply, communication and transportation network between the two countries through lines and airline, abattoir and meat canning and the cultivation of the Oil Palm in the Sudan. The implementation for these projects is planned as joint ventures between the private sectors in the two countries. Besides giving special permission to investment in the Sudan, Dr. Mahathir has strongly encouraged Malaysian businessmen to enter the Sudanese market strongly.73 However, these projects cannot translated into reality unless there is a real effort by the Sudanese government to attract the Malaysian private sector. Meanwhile, it is believed that if there were to appear any delay in implementing these projects, it would be due to the bureaucratic decision-making process in Sudan and the lack of information in Malaysian circles about the real business opportunities in the Sudan.

The amount of trade between the Sudan and Malaysia has witnessed a significant increase. The balance of trade recorded a medium total of trade that amounted to US\$ 15.6 million every year during the last decade. This amount has increased gradually and significantly to reach its current level of trade. However, the balance of trade is understandably always in Malaysia's favor, as the Sudan has filled the gap, after the indirect

⁷² See the internet: <u>www.sudan.net</u>

⁷³ Report from the Malaysian Ministry of External Trade, Bilateral Relations, Sudan's Desk.

embargo imposed by the Western countries on it, with the Malaysian enterprises. But this will not last forever; the Sudanese oil exportation into Malaysian markets will rebalance the amount of trade between the two countries. This will start at the beginning of the year 2000.

Despite the increase of trade ties between the two countries, Malaysian trade with the Sudan is still believed to be relatively small in quantity as it amounted to only 0.02% of the total trade of the country. This reality is not compatible with the fact that the Sudan as a market has gained more importance during the last few years. This is not only because the Sudan has a population of 30 million, but also because of the Sudan's geopolitically strategic location that makes it a passage or an entrance to other African markets. There is no specification in outlining the trade policy between the two countries, as the balance of trade recorded many unnecessary products imported from Malaysia to the Sudan, such as footwear and fruit. On the other hand, the Malaysian stance is still not clear whether they intend to enter the Sudan as a market itself or to establish a center in order to enter the other African states' markets.

Whatever the ideological motivations behind each countries' policy to cooperate with the other one, the national interests of both of them is the main purpose for establishing these relations. The economic factors are dominant in shaping the relations between the Sudan and Malaysia and have great impact in promoting the relations to further cooperation. While the ties between the two countries increased gradually at the beginning of the 1990s, a rapid promotion came after Petronas and other Malaysian companies entered the Sudanese market. The national interest of the Sudan has increasingly forged links with Malaysia inasmuch as the Sudanese oil project is concerned. On the other hand Malaysia would naturally be inclined to protect its investment in the Sudan, looking forward to maximize its benefits and defend them.

However, other factors and spheres of relations affect the efforts to build mutual understanding between the two countries. Cultural activities are the primary factors to encourage further cooperation and mutual understanding. The increasing numbers of Sudanese residents in Malaysia as well as the Malaysian residents in the Sudan has introduced their countries and cultures to each other. Moreover, Malaysia has become an alternative to Sudanese students seeking further studies outside the Sudan, as it became more difficult to gain entrance into Western universities.

The Sudan Week in Kuala Lumpur was a very important step in promoting the relations between the two countries. The discussions, the exhibitions and other cultural activities were the first of its type to be held in Malaysia. It opened the door for further activities and created mutual understanding and many friendly relations between the people of the two countries. This role, played by the Sudan Week, is complemented by the friendship societies in the two countries. Each of these societies is trying to promote its country's image abroad and attract the other to contribute in building close relations with its counterpart. The achievements in the cultural fields have been translated into further cooperation in different fields in the relations between the Sudan and Malaysia.

The mutual understanding between the two countries has reached a high profile and significant cooperation in the political spheres. Malaysian support for the Sudanese cause in international organizations and other regional fora has been increasing since the two countries started to build close ties between themselves. However, these relations are questionable as the two countries have different orientations in their foreign policy. The Sudan is acting as an "Islamic state" in which its foreign policy is influenced by a pan-Islamic stance in formulating its objectives and higher goals. On the other hand, Malaysia, since its independence, is taking a nationalistic approach in its foreign policy, as a result of its internal political situation. Despite this fact, the two countries faced no problem in building mutual understanding after both of them agreed on the rule of non-intervention in each other's internal affairs. For instance, Malaysia regarded the Islamic project in the Sudan as an internal affair and the right of the Sudanese to chose their own political system. Malaysia supported the Sudanese government against the West, recognizing it as struggling against the imperialist hegemony to implement its own self-reliant program. The Sudanese stance was examined during the detention of Anwar Ibrahim, who was known to be one of the pan-Islamic movement leaders in Malaysia.⁷⁴ The Sudanese government again pronounced the case as an internal affair of Malaysia and did not intervene in any way that might be misunderstood by the Malaysian government.

Meanwhile, there are many factors in both countries that seem to create a common understanding between the Sudan and Malaysia. They are both looking forward to implement a self-reliant program to enhance their development. Also, they faced the same threats and problems in international markets in the era of globalization. Along the same line, both of them are well known for their solid stance in the international forums regarding Third World issues and Western hegemony. As a result of all these factors both of them have reached a conclusion to endorse the South-South framework as a righteous tool in maintaining their development. The entire trend in their foreign policy is shaped due to this framework and their commitments towards the Third World cause. They shared identical views in different issues internationally. As of December 1999, after ten years of cooperation, the relations between the Sudan and Malaysia signaled close ties with a promising future for both countries.

Conclusion

The formal relations between the Sudan and Malaysia date back to the early seventies as the two countries shared identical views in different Islamic and international issues. The framework for cooperation between them was confined to that within regional and international organizations. However, the relations between them remained passive without any real promotion towards further cooperation between the two countries during 1970s and the 1980s.

⁷⁴ More information about Anwar Ibrahim background and his case can be found in Impact International, London, Vol.28, No. 8, 1998.

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The relations between the two countries were promoted at the beginning of the nineties to reach a significant level of cooperation in various fields. The promotion came mainly as a result of a foreign policy initiated by the current Sudanese government, which was looking for an alternative to its deteriorated relations with the West. The Sudan's foreign policy towards Malaysia after the current government came to power was determined by many factors. These factors ranged from ideological motivations to the economical factors that dominated the formulations of this policy.

As a result of Sudan's efforts to build close ties with Malaysia, the Malaysian investment in the Sudan has exceeded the amount of USD 800 million and is expected to increase. The investment is directed mainly to the oil industry in the Sudan and there are some other Malaysian companies who have entered the Sudanese market for joint ventures in various fields of investment. This was coupled with the increasing amount of trade between the two countries, which recorded an estimated increase of about 40% in the year 1998. However, these facts indicate the amount of interest that has already been created between the Sudan and Malaysia.

During the last ten years cooperation between the two countries has taken different forms and reached a high profile of mutual understanding on different issues. The officials of the two countries meet regularly and discuss the main issues to promote the relations between the two countries. Besides, the cultural activities held by the friendship societies of the two countries have cemented the relations between the two countries. The mutual understanding between the Sudan and Malaysia has been translated into total collaboration in the international fora to serve the interest of the people of the two countries.

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