

SUBJECT: SEMIFEUDAL CYBERCOLONIALISM:
TECHNOCRATIC DREAMTIME IN MALAYSIA
FROM: JOHN HUTNYK <JOHN.HUTNYK@GOLD.AC.UK>
DATE: TUE, 27 OCT 1998 17:31:51 +0100

At the beginning of 1997, before the meltdown, the haze and the “illegals,” Malaysian teknodreamscapes reached high into the sky. Huge new airports, massive hydroelectric dams, mega shopping and apartment complexes, 2 million “foreign” construction workers building the future, and double digit projections in the 2020 Vision—Prime Minister Mahathir’s booster theme, now “delayed,” for working towards “developed nation status” by the year 2020. Prime Minister Datuk Seri Dr Mahathir bin Mohamad was only prevented by a virus from a planned promotional visit to the UK that year, but he did manage to make it to Hollywood. The dreaming schemes of hyper-modernity have been touring the world—LA, Tokyo, Berlin—and the future seems very close indeed. The “Multimedia Super Corridor” (a planned research and development facility with integrated educational, living and manufacturing components) is only a construction contract away, despite a few hiccups in monetary policy which have clouded the horizon.

The Koridor Raya Multimedia or Multimedia

Super Corridor (MSC) planned for Malaysia’s cyberfuture takeoff has always been an international project. In Los Angeles a cabal of the “great minds” (New Straits Times, January 18, 1997) met with Mahathir in a specially convened “Advisory Panel,” to flesh out the flashy proposals that would transform the urban skyline—and revitalize construction industry cash flows in difficult times. The assembled great minds included CEOs and Directors of multinational corporations such as Siemens, Netscape, Motorola, Sony, Compaq, Sun, IBM and more. The Chancellor’s Professor of UCLA was there, and Bill Gates was invited though didn’t come. (Gates announced in March 1998 that he will set up his “Asian” Microsoft operation in Hyderabad, India.) The discussion no doubt was convivial and deals floated, negotiated, traded and made.

What was under consideration at this LA talk-fest

was an integrated high-tech development project designed to make Kuala Lumpur and surrounds—a fifteen by fifty-kilometer zone south from the city—the information hub of Southeast Asia. (The

NETTIME / LOCAL / PAGE 315

Dream: the seven Flagship Applications of the MSC are Electronic Government, Smart Schools, Multipurpose Cards, Telemedicine, R&D Clusters, Borderless Marketing and Worldwide Manufacturing Webs. The first four Flagship Applications—Electronic Government, Smart Schools, Multi-Purpose Cards, Telemedicine—are categorized under “Multimedia Development,” while the other three are categorized under “Multimedia Environment.”) Trumpet headlines announced the future in the Times, the Star, and the Sun. PM’s speeches and supporting echoes from Ministers proclaimed that the MSC project would “harmonize our entire country with the global forces shaping the information age” (Mahathir’s speech in

L.A. on January 14, 1997—from the special web page advertising the project—<http://www.mdc.com.my/>). Of course, harmonization with orchestrated multinational info-corps makes for singing pras in the press. The headlines scream: “Global Bridge to the Information Age,” “MSC immensely powerful, unique” and “PM’s Visit to US Triggers Excitement.” Big dreams indeed. Even the pop-electronic fanzine Wired got in on the buzz and called the project, quite favorably it seems, “Xanadu for Nerds” (5.08, August 1997). But in the context of Malaysia’s present “standing” in the international marketplace, and in relation to determined priorities and prospects for the peoples of Malaysia, what exactly is to be in this Multimedia Super Corridor? what are the serious prospects for its success? and by what criteria should it be assessed? I want to address these questions from several perspectives critical of the good news propaganda of the proposal itself. The promotional material, as can be expected, does not spare the hype:

Malaysia’s Multimedia Super Corridor (MSC) is a bold initiative—a regional launch site for companies developing or using leading multimedia technologies. Aiming to revolutionize how the world does business, the MSC will unlock

multimedia's full potential by integrating groundbreaking cyberlaws and outstanding information infrastructure in an attractive physical environment. (Webpage)

The key parts of the proposal include a series of research and development "clusters," basically sci

ence labs and info-technology factories, located near a new airport and a "cybercity" including state-of-the-art condos, shopping complexes, and transportation facilities, in a secure (everyone must carry an electronic "National Multipurpose identity Card") and "attractive" garden city. Telemedicine, Electronic Government and full ("uncensored") internet connectivity are also touted. All this overseen by the twin advisory bodies of the Multimedia Development Corporation—they put up the website—and the advisory panel of expert international "great minds."

Why did the first MSC promotion meeting take place in Beverly Hills? Well, obviously the internet and international connectivity of the grand scale to attract the likes of Gates (Microsoft) and Gerstner (IBM) is not yet readily available in Kuala Lumpur itself. Similarly, Mahathir went direct from L.A. to Japan for another parallel high-level corporate luncheon. The point is to attract investment, or rather tenants, for the research laboratories that will be built. One does not want an empty corridor, so one travels to where the clients are. An open invitation.

But what is the invitation to? The development of Science City ventures such as this is not a new idea, though it has become something of a craze since the first versions of the concept of integrated science city living was spawned out of the heads of the planners at Japan's MITI. Engineering new Silicon Valleys has become the grand vision of subsequent planners from "Silicon Glen" in Scotland, to the Multifunction Polis in Adelaide. Not always successfully do more than three hundred such ventures compete for relatively rare technology research pay-offs, as the cutting edge of such research is closely guarded and nurtured by the wealthy megacorporations. In this context, success of a Science City is initially about confidence—the importance of hype. Here, the future can seem very fragile indeed. From the beginning

of the year when the prime minister was talking up the “2020 Vision” vision with super conferences in Hollywood, to the CNN televised roller-coaster of the virtual market stock exchange troubles, it’s been a dynamic time for futures in Malaysia. The 2020 Vision “has been delayed,” Mahathir was forced to announce, as speculative capital

NETTIME / LOCAL / PAGE 316

became more tentative and the projects which formed the core of the vision of achieving “Developed Nation status” in twenty-three years were put on hold. The complex repercussions of the slide of the Malaysian Ringgit and other stocks, along with controversies over projects such as the Bakun Hydroelectric dam in Sarawak, and “the Haze” problem afflicting the region, have clouded projections and predictions. Development and profitability seem less secure than before; the tallest building (twin towers Petronas), the biggest airport, the longest office, the undersea electricity cable and the Cyber-Malaysia Multimedia Super Corridor now all appear as costly monuments (whether completed, stalled or abandoned) to the precarious gamble of speculative development within very late capitalism. Of all the new big projects that marked Mahathir’s Malaysia as the go-ahead new tiger cub of Southeast Asia, only the MSC project, and related services attractive to international R&D such as the airport, have survived the imposed austerities of the currency crisis. Confidence and hype require more than big buildings and upbeat reviews on CNN.

The mass media soundbite context is not the only one in which I would want to assess the MSC. For starters, the MSC was planned well before the much-hyped “crisis” was even a gleaming twinkle in international imperialism’s eye. The Malaysian state has pursued a vigorous technological development program, ostensibly to “catapult” itself within the next thirty years into the fabled zone of “developed nation status.” On the back of the Asian Tiger rhetoric of vibrant Southeast Asian economies, this kind of advertised ambition was accepted by many, despite the obvious enormity of the task and despite the almost equally obvious lack of substance to these proclamations (even with

massive double-digit growth over many years, the chances of the Malaysian economy reaching levels equivalent to that of major European, or any other Western, powers was slim). Here it's worth noting the new comprador build-and-be-damned cowboy-styles of Mahathir and his cronies, with emphasis on the speculative opportunistic nature of ventures: the world's tallest building, the longest submarine electricity cable, the empty tower blocks

of condos and the jammed road system filled with "Proton" cars (the millionth Proton rolled off the assembly line in January 1997). Corresponding kickbacks in contracts and short-term gains went to the favored few. (The scandal over the award of the prize Bakun Hydro-electrical dam project to Ekran Ltd., the company in which the Chief Minister of Sarawak's sons had substantial holdings, was only one among many.) The mass of the population did not become "Asian Tigers." The glamour projects could not hide the fact of increasing immiseration, the narrow and low nutrient day-to-day existence of the hawkers, farmers and peddlers who crowded the cities and towns, the worsening economic situation in the villages, and the years of repressive governmental corruption and favoritism which leached even the limited potential of prosperity from the hands of the poor into the overseas bank account of the elite. The context of the Asian Crisis, and the MSC, then includes the expanded parallel economy of food and goods hawkers, the illegal and undocumented workers, increasing sexual and other service work for many and uneven opportunities and exploitation, especially of women and "foreigners" and those excluded under the sectarian *brumiputra* legislation that favored Muslim Malays over Chinese, Indian or Orang Asli (indigenous) peoples in business, university, and government service.

How did the situation in Malaysia—and Southeast Asia more generally—come to the impasse where the "crisis" could so rapidly unravel the Asian Tiger hype as it has done? It is important to remember that the foundation of the "Asian miracle" which enabled the "tigers," and even the "cubs," to succeed was not some ethnic value or "Confucian" mindset, nor some trickle down effect of development finally reaching some of the nonEuro-

American zones, under the auspices of globalizing capital. Such explanations, racist and self-serving on the part of the analysts who offer them, are disguises for the major disruption to imperialism occasioned by the mobilizations and success of postwar (Second World—imperialist—War) national liberation movements (of course with varied degrees of achievement). That the dual deceptions of comprador betrayal on the part of oppor-

NETTIME / LOCAL / PAGE 317

tunist elite national leaderships on the one hand, and false promises—development aid, technology transfer—swift restitution—IMF loans, DFI and structural adjustment—on the part of Capital on the other hand, does not diminish the fact that what we see played out in Asia today comes as a consequence of global struggles. It could be argued that the “Asian Tiger” fantasy routine was in effect a deployment of self-serving elite hype. It was the product of a confluence of necessary bluster on the part of Gung-ho development enthusiasts (in this case the comprador elite), and the opportunist specialist swagger of expat experts in the international finance and economics related subdisciplines (what some might want to call the neocolonial administration). The complicity of Mahathir (and Co.) in toadying to these “experts” in the pay of international capital is something that can be variously documented, though as always, the relationship between the comprador elite and the administration experts is sometimes a fraught one. Not surprisingly, since they are after all representatives of the competing interests of different sections of the capitalist system, there is sometimes hostility and disagreement on principles if not in practice (the dynamic of these contradictions is most clearly evident in Mahathir’s insistence that Malaysia would not need the intervention of the World Bank, as Indonesia seemed to require, because Malaysia had “already put in place the required measures” that the World Bank would have wanted in any case). The role of experts and specialists in the pay, and also at times in “passive” critique of Mahathir and co., is a part and parcel of the development trick that lead up to the crisis. I would want to identify a

range of specialist workers and several levels of expertise implicated in the project of fitting Malaysians up for participation in the international economy and its exploitative extraction frames. As a special illustrative case of the convoluted complicity of foreign experts, it is instructive to take up the rhetoric about women in technology and the MSC. So often expert development hype promises the advancement of the position of women through the liberating brilliance of technological advance. Parallel to the promises made to indigenous people about the viability of a market-

based future (postnomadic, hunter-gatherer lifestyles, which were admittedly hard are to be replaced by the “new” opportunities of waged labor), the promise to women mouthed by the likes of Mahathir and some international women’s advocacy groups alike, was that new work opportunities would “free” women from the strictures and constraints of “traditional” oppression. It will of course be readily recognized that neither market economics of high-tech workplace jobs in themselves are liberatory when the context remains one of surplus value extraction and the fruits of advanced production only go to line the wallets of the administrative cliques. In this sense it is possible to make a critique of those who are concerned in cliché ways only with women’s labor in relation to the MSC and electronic industrialization in Malaysia—however much it is the case that old and restrictive “traditional” constraints are broken when women or indigenous people enter the waged workforce, this does not necessarily lead yet to liberation, and those who may think so in a naive way should look to the ways capital finds uses and subsumes such “nimble fingers” and exotic workers in its advertising propaganda. But, after all this, who will be the high-tech workers in the Multimedia Super Corridor? A layer of technocrats and experts will need to be recruited, from in part the expat Malaysian elites schooled in the salons of Stanford, MIT, London and Manchester, but in large part, at least in the first phases, the already existing personnel of the multinational info-corps that are invited to “relocate” will provide staff for the most important posts. This layer of imported workers will have expat lives and an expat status which is not far from the

old “colonial career” that has always been the hallmark of business empires under imperialism.

These appointments will have several corresponding run-on effects. In this context consideration of the impact of recent technological innovation in the old metropolises upon those now engaged in the (neo)colonial manufacturing enclaves and the Special Economic Zones and so on, is required as a part of any assessment of tech-driven extension of exploitation in the “offshore” production sites of Southeast Asia. Given the range of projects abandoned in the wake of the Ringitt crisis, why is it

NETTIME / LOCAL / PAGE 318

that Mahathir’s dream is to go for the high-tech option instead of extending manufacturing for the local satellite regional economies (surely sales of medium-level manufactured goods to ASEAN partners holds strategic economic merit)? Is the high-tech only gambit not likely to open still further the path of super profits and speculative super exploitation? A less stark, but nevertheless important, question is why the Special Export Zone option with the tax breaks, cheap labor, low shipping excises, and so on is no longer the preferred path, and is instead replaced by a risky corridor venture-chasing the possibility of “technology transfer” and rapid transit to a Bill Gates–sponsored cyberfuture? The problem is that the conditions for such transfer are not quite worked out and there is nothing to really entice the key parts of such corporations to the KL Corridor, nor are the generous tax concessions, infrastructure developments and other State funded inducements calculated to lock in technology transfer in a way that Malaysia could exploit in the long term.

What, and who, is the MSC for? Is it again a project to make the elites rich, and one which does not contribute, except perhaps through the vagaries of trickle-down theory and a vicarious, somewhat quixotic, reflected glory which allows the Malaysian people to take pride in Mahathir’s international notoriety? Or can it be demonstrated that the old international imperial production modes are magically reversed by the MSC, rather than continued in new format? Where once jungles

were cleared for plantations, where these plantations were then cleared for condos and shopping malls (which lie empty or underused) and where the manufacturing sector was geared largely for export rather than ever for use or need, can it be that the multimedia development will somehow restore productive capacity to local priorities? Is multimedia the key to local content, local uses, local needs, or even to regional variants of these same priorities—the very priorities that we have too often learnt are always second to the goal of profitability, and which seem increasingly subject to the fluctuations and constraints of international competition? “The people’s” interest in the trade in shares, the speculation on futures and the infra

structure development company extractions, are all based on some future payoff that does not arrive, or at the least does not arrive for the majority of Malaysians. Of course there are a small few who have always benefited from exploitation of the country’s economic efforts—be they the plantation owners, the condo contractors, or the new “big project” development engineers. The problem is that instead of moving towards a more adequate mode of production, given regional and local conditions, possibilities and necessities, those setting the direction of economic activity in Malaysia seem to favor older selective benefit structures and priorities. There is no indication that a leap forward into the MSC is likely to disrupt existing feudal discrepancies of income, lifestyle, or quality of life. Here the contradiction is the same one as that between colonial masters and peasant labor, such that I would suggest the designation “semifeudal, cybercolonial” for those situations where the most advanced technological capacities will benefit old social hierarchic formations that refuse to budge.

Who will work in the MSC? The departure of many of Malaysia’s “educated” classes to countries like Singapore, the United States and Australia is considered by some to be “significant” in the context of the MSC dream (See Yee Ai, Star, October 6, 1997). That a potential “elite” entrepreneurial segment of the population left Malaysia to further their studies and careers overseas when quotas limiting University places for non-brumiputras were

instituted under the “New Economic Policy” has had the consequence of positing a fabled brain-drain resource base of potential ex-Malaysian expats who could be enticed back to work in the IT labs of the MSC. In any case, supposing these brainy exiles were enticed back to the MSC, what is to stop the advanced layer of such workers being poached back to the superior labs of Silicon Valley? For that matter, what is to prevent the MSC from becoming the poaching ground for future Malaysian technology-educational cohorts to be shipped to the U.S.?

But to focus on these workers is only to consider a tiny portion of the “job-creation-programme” that is the MSC. Overwhelmingly, it is a kind of processed worker who will make up the majority

NETTIME / LOCAL / PAGE 319

of those who will build and work in the multimedia corridor-fantasy city. These are people who must clean the labs and work the service sector, in the restaurants, in the apartment buildings, in the transport sector. They are the line-workers, the cable-layers, ditch-diggers, copper miners (insofar as the cybercity still runs through wires), the optic fiber-blowers (insofar as it runs on glass), the light monitors, the carpet-layers, the cola-dispensing machine-restockers, the logo-painters, corporate design staff at the level of uniform tailoring, carpark attendants, rubbish-removers, rubbish collation, white paper-recyclers, glorified garbage-shredders of sophisticated environmental mission statements, junk-mailers, home-shopping delivery agents, home-shoppers, wives, children, neglected pets. Oftentimes these workers will be in insecure employment, many of them overseas nationals, of those, many “illegals.” In some sectors, whole communities that provide support and sustenance for productive workers, adjacent reproductive workers, those without community, those with only community, displaced communities, illegal workers, illegal worker entrepreneurs, police crackdown, anti-immigration hysterics, typists of government propaganda and opportunity, cogs in the machine. Sundry otherness. The wrong side of the international division of labor set out on the threshold of the condo,

expat servants of all stripes...

What Mahathir's image manipulators want to make of Malaysia is a manicured paradise for multinationals, and so this requires a certain degree of interventionist manipulation of the workforce at several levels—intensive training to equip support staff and engineer-technicians with requisite skills, service economy provisions (requiring also the trappings of the spinoff tourist industry), intensive building programme for offices, condos, air-conditioned shopping centers, and last but not least, the efficient removal of unorganized labor and “street clutter” in the form of vendors and other “illegals.” The removal of street vendors is conceived along something like the same lines as the landscape gardening of the science park site, a beautification designed to appeal to the supposed streamlined elegance of Western corporate expectations (little matter that this prob

ably miscalculates the appeal of a Third World Malaysian site for Western corporations, who are in search not only of cheap labor and peripherals, but who also happily consume “clutter” as exotica, even when the street vendors' curry is too hot, or the colors too garish.

Under the austerities imposed under the “crisis” (self-imposed, but they would be little different if the IMF had been invited to manage matters) the first adjustments to the aesthetic makeup of the work force has been to remove the vendors and illegals. In a perverse way this is only “really” about work permits and travel arrangements as the visas of all foreign workers are temporary. The free communication of freely active people is the slogan for generating the successful environment for the research and development community, but the free development of all the people does not compute in this scene. This is one of the major dysfunctions of the MSC in the context of the “crisis.” The “foreign” workers brought to build such projects have now become a threat to the scheme. This has meant that one of the responses of Mahathir to the Ringgit crisis was to announce that significant numbers of foreign workers would have to be repatriated. This was not really a new call, but rather an older racist campaign given a new excuse. For some time the

Malaysian Government has perpetrated a brutal crackdown on Tamils, Bangladeshis, and Indonesian workers in the Peninsula—from random stop-and-search leading to deportation, to a media campaign which creates resentment. This coupled with brumiputra policies favoring Malay ethnicity workers over Chinese and Indian Malaysian citizens makes the issue of race and opportunity a volatile one in Malaysia. Some 250,000 of the 2 million foreign workers brought to Malaysia to work the big development schemes are expected to be deported by August of 1988, mostly Bangladeshis, Tamils, and Acehnese. Reuters reported in March that:

Malaysia plans to deport some 200,000 foreign workers when their permits expire in August, a government official said Wednesday. The official Bernama news agency quoted Immigration Director-General Aseh Che Mat as saying employers had been told to prepare to send back foreign

NETTIME / LOCAL / PAGE 320

workers in the ailing services and construction sectors. Malaysia estimates that some 800,000 of 2 million foreign workers in the country are illegal. Since the beginning of the year, authorities have detained more than 17,000 people who were attempting to enter the country illegally. (March 1998)

However, some kinds of foreign workers are OK. When it comes to the glamour projects of development capitalism certain of the experts, expats, and entrepreneurs are exempt from Mahathir's racist gaze. As the economic downturn leads to cutbacks at the MSC, its local workers, not expats, who are being retrenched. At risk of further racism, Mahathir and his cronies now find themselves in a double bind. They have invited "too many" low-skilled construction workers in to build twin towers, airports, and so on and want to get rid of them, while at the same time they want expert development and high-skilled expats to arrive in numbers in the hope that the future may arrive by way of that alchemy known as "technology transfer." It should be no surprise that workforce recruitment takes hierarchical and politically charged forms.

Among the “service workers” one special category has often been singled out. These workers—young Malay women—are found to be particularly suited to high-tech process work by way of cultural conditioning, small-tasks competence, and the mechanics of basket-weaving. This kind of racist characterization appears in barely modified form in the MSC prospectus and other documents—“labour so easy to train” says a FIDA brochure on investment opportunities. This is the gendered version of the same stupidity that once upon a time would explain Japanese technical ascendancy in electronic goods manufacture by claiming that because the shorter Japanese worker stood closer to the workbench greater attention to detail produced superior products. The position of women in feudal structures does seem replicated in telematic times, yet explanation based upon the “cultural” would seem most suited to those who would occlude the political, and any talk of exploitation. What are the conditions of takeoff for Mahathir’s proposed dreamscape? The prospects for synergy and innovative creative hyper invention rely upon

the relocation of corporate R&D which is less than likely to arrive. The “milieu of innovation” that fuels the successful ventures of this kind does not yet seem to exist in the Malaysian plan—though there certainly is the fab idea in the proposal to build a “cyberversity.” The international division of labor, the agendas and opportunisms of the neoimperialist world order, the short term interests of monopoly capital and the inability to provide a lock-on to capital and technology which may relocate to Malaysia are not, none of them, addressed in the promotional or planning literature. There are very real obstacles which would need to be solved if any technology project were to succeed in the East Asian sphere, given that Gates has said that Microsoft will not shift its “fundamental” research outside the U.S., it is not a grand prospect. The realities of the international economy do not favor such projects outside the already entrenched centers. The cost to the Malaysian state, and so therefore the public purse, is likely to be greater than that which can be recouped in the short or long term.

At the risk of inviting the wrath of the “recalcitrant” prime minister, a different series of questions

could be asked, ones that would be less generous, but not less plausible in their speculations: for starters, who will profit from the development of the MSC? Do Prime Minister Mahathir and his cronies, the elites and supporters of the good news propaganda in the press, have capital invested in the multimedia transnationals that may locate in the MSC corridor? If Malaysian elite capital is attached to Bill Gates's capital, then perhaps the MSC makes sense for them, if not it is just a corridor crying out (perhaps in vain) for Gates's profiteering. Or, alternately, do Mahathir and other members of the Malaysian elite have capital tied up in the construction industry? This we know is the case from the controversy around the company Ekran and its now stalled plans to build the Bakun hydro electrical dam in Sarawak (flooding the homes of 10,000 Orang Ulu peoples). But surely those that have holdings in construction could just keep on making money out of condos, dams, hotels, and roads, and so all this info and multimedia stuff is too risky speculation? Why go for this high-tech biz? Isn't building factories and ware-

NETTIME / LOCAL / PAGE 321

houses for offshore assembly and export processing profitable enough? Is the writing on the wall in that sector—and does it say build corridors not factories, the end of manufacturing profit is nigh? Or, considering the most cynical case, will this Super Corridor actually have anything in it?—or is it just a flash way of selling more construction (with corresponding bribes and kickbacks etc.)? Even if the R&D firms were to locate some of their lower level R&D in the corridor, how long would it stay—high-tech production is very short on shelf life, and very mobile in terms of setups. What is the prognosis for the economics of the project if even these

simple questions are so obvious? Surely better analysts have seen that the gains are not there. What are the justifications? Is it so far off base to suspect the recent fluctuations of the share market indicate where the problems lie—this is a virtual, rather than actual, development, and 2020 is a very long way off.