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Multiculturalism in Singapore and Malaysia: Approaches and Outcomes

Abstract

Purpose
This paper examines cases of multiculturalism in Singapore and Malaysia. Through causal socio-cultural mechanisms, we observe how two countries in proximity, with shared histories and demographic profiles, achieve differing outcomes in regard to social cohesion and competitiveness.

Design/methodology/approach
The paper employs case-centric process tracing (CPT) to build a ‘plausible’ explanation of causal mechanisms that can contribute to social cohesion and competitiveness. We adopt a common analytical framework to distil the nuances of generalizability and a cross-case analysis in order to ascertain factors that enable multiculturalism.

Findings
Different causal mechanisms result in diverging outcomes in the two countries. In managing multiculturalism, Singapore has pursued policy actions emphasizing ‘integration and pragmatism’, while Malaysia has followed a model of ‘separation and preferentialism’. Judging by a selected number of established indicators, Singapore’s multiculturalism outcomes seem more successful than that of Malaysia in respect to areas of national competitiveness and interethnic tolerance.

Practical implications
This paper shed insights on the policy actions that promoted multicultural integration. The process tracing approach is found to be a useful tool in helping policy makers understand how intrinsic mechanisms can contribute to more/less desirable socioeconomic outcomes.

Originality/value
Together with the evidence using the CPT approach, the paper draws attention to multiculturalism evolving through distinctive sets of public policy. We ultimately suggest that such policies can be paralleled to the function played by institutions in leading to ‘varieties of capitalism’ and have an impact on achieving cohesive and competitive societies.

Paper type: Case study
Keywords: Multiculturalism, Diversity, Singapore, Malaysia
1. INTRODUCTION

The historical patterns of authority, trust and loyalty have led to the predominance of some distinctive systems in the Far East, where value systems differ from the West (Whitley, 1991). In better understanding multiculturalism in Singapore and Malaysia, it may be useful to look at their historical background(s) and, from there, track their policies and actions in supporting multiculturalism. From the colonial times to the present day, both countries have successfully maintained multiethnic groups comprising indigenous people and migrants. These ethnic groups have persisted to practice their lifestyles and traditions; as a result, cultural pluralism prevailed in both societies. Early Chinese immigrants, known as Peranakan (‘Straits-born’), have resided in the Malay Peninsula (including Singapore) as far back as the 15th century (Wee, 2011). Malays have been a predominant indigenous ethnic group inhabiting the Peninsula, where they are known as Bumiputeras or the “Son of the Soil”. In Malaysia, this status is accorded to Malays and certain non-Malay indigenous peoples, such as ethnic Thais, Khmers, Chams, and indigenous tribes in Sabah and Sarawak.

The multiethnic diversity in both countries extends to their religions and belief systems: Buddhism, Taoism, Islam, Hinduism, and Christianity coexist, and the act of ostracizing other religions is prohibited (Black, 2012; Kenyon, Marjoribanks, and Whiting, 2013). Since emancipation from colonialism, both Singapore and Malaysia have managed postcolonial pluralism through several state-institutionalized policies towards multiculturalism (Goh, 2008; Chan, 2013; Noor and Leong, 2013). As Hefner (2001) emphasized, while many researchers have focused on multiculturalism in Western industrialized societies, it is meaningful to look back at the history of pluralist challenges that non-Western societies have undergone in an era of galloping globalization.

Multiculturalism can be conceived as a context where different cultures ‘combine like a salad, as opposed to the more traditional notion of a cultural melting pot’ (Baofu, 2012, p. 22).
It is both a political orientation and a public policy (Bloemraad, 2011; Bloemraad and Wright, 2014). Goh (2008) and later, Yeo and Pang (2017), set out that multiculturalism was used as a tool for economic growth and as a way to avoid social unrest in both Singapore and Malaysia. Berry (1997; 1998) pointed out that uniqueness of culture can be preserved while maintaining cultural diversity. Ng and Metz (2015) advanced that multiculturalism played an important role in enhancing national competitiveness, where enacted government policies and efforts can matter. More specifically, they stated that “multiculturalism can serve as an effective public policy tool to enhance a nation’s competitiveness” in the area of tolerance, talent attraction, and trade (Ng and Metz, 2015, p. 253).

In spite of similar historical antecedents and multiethnic composition, a glance at key indicators of overall competitiveness, including indicators under examination in this paper, reveals a competitive gap between Singapore and Malaysia (see Table 1).

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Singapore</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Index ranking</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity of Workforce (World Economic Forum, 2019)</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>23&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>Global Racial and Ethnic Tolerance (Florida, Mellander, and King, 2015)</td>
<td>6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>75&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>FDI Net Inflows&lt;sup&gt;(1)&lt;/sup&gt; (The World Bank, 2019)</td>
<td>18.9%&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>3.3%&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Overall ranking</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Competitiveness Ranking (World Economic Forum, 2019)</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>27&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>World Competitiveness Ranking (Institute for Management Development (IMD) Switzerland, 2020)</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>27&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> As a percentage of GDP  
<sup>(2)</sup> Average between 2000 and 2017

Table 1. Diverging Outcomes of Singapore and Malaysia

In connection with Ng and Metz (2015), we observe that Singapore outperforms Malaysia in racial and ethnic tolerance, skilled labour attraction, and FDI net inflows indicators (INSEAD, 2018; WEF, 2019; The World Bank, 2019; UNDP, 2018). A question arises to why
multiculturalism in both countries may have contributed to different outcomes? To answer this question, we postulate that diverging outcomes are due to differences in the way multiculturalism has been embraced and directed through policy actions.

The following section outlines the context for research and describes the CPT method used for the analysis. A case analysis follows by comparing the multiculturalism policies in the two countries, in particular those supporting racial harmony, immigration, and use of variegated languages in building support for multiculturalism. The last two sections recapitulate and discuss the findings, including limitations, and elaborate on methodological implications and possible theoretical developments.

2. CONTEXT FOR RESEARCH AND METHOD

Singapore is an island city-state and was formerly a part of the Malaysian Federation from 1963 to 1965. Chinese, Malays, and Indians are major ethnic groups in Singapore and Malaysia, with the mosaic of cultures integrated into present-day society. Both countries shared an early group of immigrants, the Peranakans, who had assimilated their cultures with the locals. This early assimilation played a significant role in nurturing demographic pluralism. Evidence also suggests that both contexts have experienced a significant influx of foreign labor, which has contributed to economic growth and contrasted models of development (Yeoh, 2019).

Othman Wok, one of Singapore’s fathers, laid the foundation for multiculturalism in Singapore (The Straits Times, 2017) but then “fundamental disagreements over diversity policy were at the core of Singapore’s breakaway from Malaysia” (INSEAD, 2018, p. 9). Although Singapore and Malaysia have implemented a similar stance in support of multiculturalism from their common colonial beginning, the subsequent policy orientation took indeed different pathways, which we try to illustrate using an evidence-based approach (CPT).

CPT has emerged in social science research as an important method of causal inference (Kay and Baker, 2015). Process tracing involves the identification of “intervening causal
process — the causal chain and causal mechanism — between an independent variable (or variables) and the outcome of the dependent variable” (George and Bennett, 2005, p. 206). It is important to acknowledge that CPT has three distinct variants, illustrated in Table 2.

<table>
<thead>
<tr>
<th>Variants (Synonyms)</th>
<th>Key question</th>
<th>Purpose of analysis</th>
<th>Types of inferences made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theory-testing process tracing</td>
<td>Is causal mechanism present? If present, does it function as hypothesized?</td>
<td>To test deductively derived theories and the causal mechanisms.</td>
<td>Causal mechanisms are present/absent</td>
</tr>
<tr>
<td>(Analytical causal explanation)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Theory-building process tracing</td>
<td>What is the causal mechanism between X and Y?</td>
<td>To inductively build a causal mechanism liking X:Y.</td>
<td>Observable manifestations</td>
</tr>
<tr>
<td>(Hypothesizing/Generalizing)</td>
<td></td>
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<tr>
<td>Case-centric process tracing</td>
<td>What mechanistic explanation accounts for the outcome?</td>
<td>To explain how a particular outcome or set of events came about in a case.</td>
<td>A minimally sufficient explanation of particular outcome</td>
</tr>
<tr>
<td>(Explaining-Outcome/Detailed narrative)</td>
<td></td>
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</table>

Source: Adapted from Beach and Pedersen (2013), Kay and Baker (2015).

**Table 2. Three Variants of the Causal Process Tracing**

Focusing on CPT to explain how an outcome (or a set of events) came about in a case, we assume the case to be context specific and not easily generalized beyond the case itself (Kay and Baker, 2015). As Beach and Pedersen (2013) asserted, case selection strategies are driven by a strong interest to account for a particular outcome. The CPT takes the form: “X causes Y through a mechanistic process of A, B, C in case Z (Kay and Baker, 2015, p. 7)”. Taken together, Figure 1. represents the mechanisms for the case-centric process tracing method.

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**Figure 1. A Theoretical Framework for This Study**
We adopt a cross-case analysis method to examine the two cases. Singapore and Malaysia were selected because both countries: (a) possess similar multiethnic composition; (b) have a common historical commonalities and heritage; (c) enjoyed economic growth since independence. To minimize the issue of non-generalizability, a common analytical framework informs the case study design (Yin, 1994).

The CPT method guides the analysis by building a ‘plausible’ explanation of causal mechanisms that produced a desirable/non-desirable outcome using an inductive path, as proposed by Beach and Pedersen (2013). To examine these mechanisms, we focus on: (a) efforts towards racial harmony and cohesion, (b) immigration, and (c) language as a means of nation-building. However, mechanisms cannot produce outcomes alone; rather, the interaction between those and the context within which they operate can lead to causation (Falleti and Lynch, 2009).

3. MULTICULTURALISM IN SINGAPORE AND MALAYSIA

3.1. Policies for racial harmony

3.1.1. Singapore

The British traditionally employed sedition laws in the running of their empire (Neo, 2015). The Sedition Act (1948) applied to Singapore and Malaysia on actions that could potentially spark conflict between races and religions (Kenyon, Marjoribanks, and Whiting, 2013). For example, during the 1954 Fajar Trial in Singapore, the British employed sedition laws to suppress student activism (Neo, 2015). Singapore experienced two racial riots since independence. The racial riot in July 1964 was triggered by ideological differences in party politics that led to the separation of Singapore from Malaysia in June 1965. There was an inexorable spillover of communal violence, mainly involving Malay against the Chinese, from Malaysia into Singapore in 1969. To this day, the government continues to monitor any
potential conflicts closely and even criminalize actions that promote feelings of ill-will between different races. For example, the police recently investigated an online video containing offensive content because a Chinese male actor was portrayed as a Malay woman in a tudung (a Malay word meaning “headscarf”) with visibly painted dark skin. In reporting on this investigation, the Straits Times pointed out, "The police will not tolerate any offensive content that causes ill-will between races." (The Straits Times, 2019a).

Some argue that punishment through the Sedition Act imposed significant restriction and was even stricter than the draconian sedition laws in Britain (Neo, 2015). It became the resolve of the government to ‘successfully’ maintain racial and religious harmony, even though it could arguably have suppressed freedom of expression. Issacs (2017) recognized that religion was a root cause for confrontation, and thus suggested that the groundwork laid by the British served as a cornerstone to multiracial tolerance.

Besides, it is argued that the Ethnic Integration Policy introduced in March 1989 helped Singapore achieve some levels of interethnic integration (Lim, Leong, and Suliman, 2019). This policy was designed to prevent any ethnic group from concentrating in public residential estates. Under this system, owners and tenants must meet the ethnic proportions of the Housing & Development Board (HDB). Because 80% of Singaporeans live in HDB housing, the system achieved its intended outcome. Although not exempt of criticism (Ng, 2018), the HDB policy can be considered as a relevant example of initiatives towards racial and social cohesion in Singapore (Kuah, 2018). Various types of community activities were promoted for harmony among residents, for example, common celebrations of festivities like Chinese New Year or Hari Raya in community clubs. According to the HDB, one of the main goals of Singapore’s public housing programs is indeed to “build established and cohesive communities with strong bonds” (HDB, 2013a, p.19). Nonetheless, there may be other controversies over the HDB ethnic quota system, unilaterally driven by the government. However, as Sim, Yu, and Han
(2003) stated, the active intervention of the Singaporean government should be understood as a part of the ‘nation-building’ in order not to witness a repeat of the racial riots of the 1960s.

A recent survey suggests the fruition of the government-led policy. According to the HDB (2013b) Household Survey, the proportion of residents who had interacted with neighbors of other ethnic groups and nationalities increased (85.7% in 2013 from 77.0% in 2008). Along with the data, the majority of the HDB residents responded with a strong sense of belonging to their residential areas. Therefore, there is reasonable ground to accept that the efforts of the government to keep the ethnic composition of the HDB residents in harmony seem to influence relatively successful interethnic exchanges.

3.1.2. Malaysia

The Malaysian government also intervened to minimize conflicts between ethnicities among its population beyond the 1948 Sedition Act. Despite having designated Islam as their official religion, the Malaysian government permitted other faiths, such as Buddhism, Hinduism, and Christianity, to co-exist in fostering religious pluralism. In May 1969, however, a racial riot between Bumiputera Malays and Chinese occurred, and the Bumiputera Policy (also known as the New Economic Policy or NEP) was introduced by the government to resolve conflicts (Whah and Guan, 2017). At that time, the income per capita of Bumiputera Malays was 2,400 Malaysian Ringgit (MYR), while the Chinese was 4,400 MYR. The labor income per worker was nearly double between the two groups, at 5,900 and 10,000 MYR, respectively (Saari, Dietzenbacher, and Los, 2015). To close the economic gap, the government introduced the Bumiputera Policy to favor Malays socially and economically (Aziz, 2012; Koh, 2017).

While this paper does not focus on the merits or flaws of the NEP, Crouch (2001, p.256) has argued that “despite the inevitable injustices and the consequent resentment and alienation, affirmative action policies can contribute to the management of conflict and the achievement
of social cohesion”. By 2000, some thirty years after the NEP, the income gap between the Bumiputera Malays and the Chinese was still apparent (Saari et al., 2015). Despite the government’s policy efforts, a material basis for conflict between ethnic groups remains to date (Khalid and Yang, 2019).

The government, through the NEP’s affirmative action, provided social and economic preferential policies for Malays only, resulting to a degree of marginalization and separation. However, it is also worth noting that such preferential treatment provided to Malays is a constitutional provision that has been authorized by Article 153 since independence (Lee, 2017). As noted by Kymlicka (2002, p.365), “each group’s claims can be seen as specifying the injustices that majority nation-building has imposed on them, as identifying the conditions under which majority nation-building would cease to be unjust”. Noor and Leong (2013) argued that the reason for the introduction of the NEP should be viewed not only for economic reasons but also for political reasons. They held the view that the Malays were afraid of losing their political power base in facing Chinese economic might. In support, Noor and Leong (2013) and Mohamad (2005) also concluded that the creation of the Bumiputera concept came out of a political deal. Those studies insisted on the fact that the economic and political context at the time played a decisive role in the introduction of the NEP.

3.1.3. Outcomes of the racial harmony policies

As a public policy, multiculturalism is a means by which governments and institutions implement policies of inclusion and citizenship (Bloemraad, 2007). There is comparatively little attention paid to how multiculturalism can have positive outcomes and serve as a strategy for national competitiveness (Ng and Metz, 2015). This section examines the outcomes of the different mechanisms pushed by the Singaporean and Malaysian governments.
Based on a doctrine of equal treatment for everyone, ‘regardless of race, language or religion’ as seen in today’s National Pledge, Singapore attempts to integrate different ethnic groups through its public housing policy, which has reduced ethnic enclaves over a few decades (Kuah, 2018). Such efforts are supported by ‘The Global Creativity Index 2015’ (Florida et al., 2015), which measured openness and acceptance to racial and ethnic minorities in its ‘Global Racial and Ethnic Tolerance’ indicator, ranked Singapore 6th among 139 countries.

A multiculturalism policy can have positive, or not-so-positive, outcomes depending on whether integration or separation account for cultural preservation (Berry, 1997; 1998). Malaysia can be accounted as a context of separation, or cohabitation under segregation with preferential power sharing, with some extent of cultural preservation: “In Malaysia, intergroup relations are mooted in a zero-sum belief where finite resources are distributed in way that will favour the dominant Malay at the expense of the non-dominant ethnic communities (Noor and Leong, 2013, p. 723)”. Members of the minority group, such as the Chinese and Indians neither abandoned their culture nor did they adopt the Malay culture. Consequently, they find themselves “being stuck in the middle”, neither enjoy positive nor negative cultural preservation (Berry 1997; 1998). For reasons as such, the ‘Global Racial and Ethnic Tolerance’ indicator ranked Malaysia 75th among 139 countries (Florida et al., 2015).

3.2. Immigration Policies

3.2.1. Singapore

Singapore has been a migrant state, where descendants of immigrants account for a majority of its population. In fact, Singapore had been exposed to diverse migration in the 15th century displaying a ‘hybrid culture of immigrants’ (Wee, 2011, p. 13), accepting Chinese, Indian-Hindu, Arabian, and Eurasian Peranakans. Singapore’s society espouses “an explicitly
multicultural identity, with an emphasis on tolerance and racial harmony.” (Ortiga, 2018, p. 960).

Singapore’s economy is heavily dependent on manpower and has increasingly utilized foreign labor since the 1980s onwards. Immigration policies focus on skilled labor, whereas semi-skilled labor supplement the needs of certain sectors in the economy through short-term employment passes, granted mainly for neighboring countries such as Indonesia, Malaysia, and the Philippines. Employment and immigration regulations for high-skilled workers were eased in the early 1970s when supply of labor was overcome (Eng, 1982). The need for low-skill labor resulted in a deliberate shift in policy by the Singapore government to allow more foreigners to live and work in the country, and net migration increased in the 1980-1990 period to nearly 200,000 (Saw, 2012). In the last 30 years, Singapore made used of immigration as a means of controlling its labor supply (Leggett, Kuah, and Gan, 2017). At the same time, the government intended to increase the population of Singapore by expanding its local labor pool through a range of migration strategies (Yeoh and Lam, 2016).

As a result of immigration regulations, the proportion of foreigners has steadily increased, starting from less than 5% in 1970 to about 25% in 2019 (Ministry of Manpower, 2019; Yeoh, 2007). Özden, Parsons, Schiff, and Walmsley (2011), who tracked migration percentage changes in Asian countries over the past 50 years, noted that Singapore had been steadily embracing immigrants for decades. Out of 5.7m people in Singapore in 2019, the active labor force stood at 3.63m, with an estimated 1.4m being foreign workers (See Figure 2.)

There is a shared view that countries with liberal and open migration policies have greater economic benefits than countries that do not (Bove and Elia, 2017; Walmsley, Aguiar, and Ahmed, 2017). According to Thangavelu (2016), who studied the productivity of Singapore manufacturers from 1998 to 2008 using panel data, foreign workers contributed up to 7% to productivity in Singapore’s manufacturing. The government has permitted the deployment of
a large number of foreign workers for economic reasons, but the state policy recognized low-skilled workers as a concept of ‘disposable labor’, allowing them to be easily repatriated during any economic downturn (Yeoh and Lin, 2013). This instrumental approach was reflected in Yeo Guat Kwang (NTUC leadership) declaration to the China Labour Bulletin (CLB) in 2010:

‘When we look at the migrant workers’ issue, we are not looking at it from the perspective of human rights. We are looking at it on a need basis... Like it or not, we need to sustain and grow an economy that is able to generate an annual per capita [GDP] of US$35,000. At the end of the day, whatever factors would be able to help us to sustain the growth of the economy for the benefit of our countrymen, for the benefit of our country; we will definitely go for it (Interview with CLB, quoted in Chan (2011), p. 63)’.

Figure 2. Breakdown of Foreign Workers in Singapore
Overall, the perception of the government towards low-skilled workers as a ‘transient population’ (Yeoh and Lam, 2016), which account for more than 50% of the foreign population, may be a potential threat to future diversity in Singapore. Many have argued that labor shortage due to the declining fertility rate can be solved through the influx of foreigners (Hui and Hashmi, 2007; Thangavelu, 2016), but the reality is far more complicated. Singapore adopted liberal immigration policies for socio-demographic and economic needs (Yeoh and Lin, 2013). In the meantime, anti-migration sentiments have been rising in some parts of society, as the proportion of foreigners grows (Leggett et. al., 2017). There is a growing concern among Singaporeans about losing good jobs to foreign workers, and social safety concerns as foreign workforce congregate in parts of the country forming ethnic enclaves. The duality of the foreign workforce policy is a challenge for the government to enjoy the fruition of economic growth and to mitigate potential social conflicts (Yeoh and Lam, 2016). Consequently, the government is in a position where it must consider the potential discontent of its own people that may arise from economic growth through liberal migration policies. This view is echoed by an official statement that Trade and Industry Minister made in 2019: “As our multicultural social norms can be rather unfamiliar to foreign employees, it is important that businesses also play a part in integrating them into our companies and into our society” (The Straits Times, 2019b). Hence recent initiatives to address the challenge of ‘partially incorporating’ the migrant workforce (Leggett and Le Queux, 2013, 2015) and to upskill the Singaporean ‘Core’, with the view that enhanced human capital will lead to productivity gains, therefore alleviating the need for migrant labor (Kuah, Le Queux, and Hassan, 2017; Le Queux and Kuah, 2020).

1 ‘Singaporean Core’ is about creating a diverse team of talents from cross-sector, cross-cultural backgrounds and international exposure. A strong Singaporean core should be made up of Singaporeans who grew up in, and with, Singapore. Source 1: https://www.todayonline.com/singapore/singaporean-core-does-not-mean-sporeans-only-says-chun-sing Source 2: https://www.asiaone.com/News/Latest%2BNews/Singapore/Story/A1Story20130205-40062.html
3.2.2. Malaysia

Malaysia’s economy has grown through the active use of foreign workers as well. In the 1980s, the government embarked on a policy of accepting foreign workers to resolve labor shortages (Awad, Yussof, and Khalid, 2018). In the mid-1980s, most of Malaysia’s foreign workforce were workers from Indonesia, and they were predominantly engaged in agriculture (Athukorala and Devadason, 2012). With the development of labor-intensive manufacturing industries in the urban areas, Malaysia’s labor force moved over to factories. When Malaysia came out of recession in 1991, many manufacturers requested the government to authorize the hiring of further foreign workers to meet the needs of rising production and labor demand (Seol, 2005). The government consented and allowed more foreign workers to enter the manufacturing industry again. Many were migrants from Indonesia, Bangladesh, Thailand, the Philippines, and Pakistan (Seol, 2005), with about 2 million foreign workers working in Malaysia (Athukorala, 2006). Figure 3. shows the number of foreign workers (non-Malaysian citizens) in Malaysia since the 1990s.

![Foreign Workforce Numbers in Malaysia](image)

Figure 3. Foreign Workforce Numbers in Malaysia
(Adapted from the Department of Statistics Malaysia, 2019)
By the early 2000s, the proportion of foreign workers in manufacturing (38.1%) largely exceeded the number of foreign workers in agriculture (24.8%). To date, the Malaysian manufacturing sector has the largest number of foreign workers and “has emerged over the past one-and-a-half decades as the major host to foreign workers in Asia” (Athukorala and Devadason, 2012, p. 1508). According to an empirical study by Jordaan (2018), both high-skilled and low-skilled foreign workers generated positive productivity effects in Malaysian manufacturing industries. It must be noted, however, that the enduring hostility of Malaysian trade unions against migrants was based on the view held by unions that migrants were a source of social dumping dragging down employment opportunities of low-skilled Malaysians (Crinis, 2005).

Yet, other studies reported that the ‘productivity advantages’ of Malaysia will decline considerably in the longer term (Awad et al., 2018; Palel, Ismail, and Awang, 2016). Their findings suggest policy implications for the government to achieve a higher level of economic growth in this era of economic globalization. Currently, more than 95% of Malaysian foreign workers are classified as unskilled workers, mostly in manufacturing (Athukorala and Devadason, 2012), many being women in under exploitative conditions at the bottom end of value chains (Crinis, 2010). Ironically, the influx of unskilled workers resulted in many Malaysian manufacturers being trapped in labor-intensive production processes (Awad et al., 2018). Escalating the problem, the government’s policies on foreign workers are not consistently pursued in line with long-term labor market policies and industrial restructuring (Lee, 2002).

The government has succumbed to demands for cheap labor, although found itself in a competing challenge to address mounted pressure from the international community in regard to labor rights and poor work conditions of migrant workers, pressure partly stemming from social clauses embedded in Free Trade Agreements (Crinis, 2017, in Le Queux, Cooke, and
Cox, 2018). However, as the momentum for industrial restructuring away from labor-intensive production processes increases, a policy shift allowing inflows of higher skilled workers may be pressing (Rasiah, Crinis, and Lee, 2015; Awad et al., 2018).

### 3.2.3. Outcomes of immigration policies

The Singapore government has maintained a rather open position on migration. It has accepted low-skilled workers to certain sectors (such as construction, shipbuilding, and domestic servants), but actively pursued high-skilled workers and utilized them in the development of high-tech industries such as biotechnology and nanotechnology. Such policy efforts have consolidated Singapore’s national competitiveness. According to the ‘The Global Competitiveness Report 2019’ by the World Economic Forum (2019), Singapore scored 79.9 points in the ‘Diversity of Workforce’ indicator, ranking it 1\textsuperscript{st} among 141 countries. In addition, ‘2018 Human Development Indices and Indicators: Statistical Update’ (UNDP, 2018) showed that ‘Skilled Labor Force’ accounted for 81.7\% of the total labor force in Singapore, ranking 40\textsuperscript{th} out of 142 countries.

Migrant workers in Malaysia made-up the largest percentage of workers in the low-paid workforce working in traditional manufacturing industries. According to the ‘The Global Competitiveness Report 2019’ by World Economic Forum (2019), Malaysia scored 69.0 points in the ‘Diversity of Workforce’ indicator, ranking it 23\textsuperscript{rd} among 141 countries. In addition, ‘2018 Human Development Indices and Indicators: Statistical Update’ (UNDP, 2018) showed that ‘Skilled Labor Force’ accounted for 67.3\% of the total labor force in Malaysia, ranking 58\textsuperscript{th} out of 142 countries.

### 3.3. English as a means of nation-building

#### 3.3.1. Singapore
Singapore maintained four official national languages: English, Mandarin, Malay, and Tamil in supporting its multicultural population. All official government communications are disseminated using these languages. The core of Singapore’s language policy is a ‘bilingual policy’ (Gill, 2014), with English as a common language. In schools, English is used as the medium of instruction, but each ethnic group is also taught their mother tongue, as a second language.

The bilingual policy was conceived when an All-Party Committee in 1956 submitted a report on Chinese education (Ko, 2017). The report acknowledged that English was the main language in commerce and industry, but stated that at least two languages be used as the main medium of instruction in schools. After independence, Singapore made efforts to create a national identity among its multicultural society, whose diverse people spoke different languages and dialects but not English. One of the important means of integrating such a diverse society was the use of a common language, as Lee believed (Goh, 2017). Through a common language, independent of its multiracial composition, the use of English integrated Singaporeans. Indeed, English has the status as a global lingua franca and has the power to provide a ‘leading edge’ for culture and economic development (Graddol, 1997). When the first bilingual policy was implemented in Singapore, it was declared that English was to be the predominant official language, and the main purpose was for economic, rather than political or social reasons.

A firm language policy was needed to harmonize ethnic relations in Singapore (Bolton and Ng, 2014). However, if the Singapore government designated only the use of English, without a strong bilingual policy, it may have become an ‘assimilation’ approach (Berry, 1997; 1998), with less maintenance of cultural heritage and identity. The bilingual policy thus reflected the government’s intent to nurture the identity and values of ethnic groups while achieving modernization through access to Western science and technology (Ang and Stratton, 2018).
3.3.2. Malaysia

Although the English language played an important role in politics, economics, and education during the British colonization period, the Malaysian government pushed various policies to promote the Malay language (Bahasa Melayu) for national identity and integration. The status of the Malay language was strengthened in the name of nation-state construction since its 1957 independence.

Since 1975, all primary schools have used Malay as the medium of instruction, with English language as a compulsory subject. The government had employed its language policy for the harmonization of ethnicities (Chun, 2009). This assimilation process would mean that those who are not willing to assume the culture of Malaysia may be left behind socio-economically, because they are less likely to acquire the social capital needed for advancement (Ng and Sears, 2010). It also meant that nearly 32% of the population consisting of Malaysians of Chinese and Indian descent, with another 10% of native East Malaysians, had to adapt and assimilate with the additional risk of losing of their language and identity.

Nonetheless, some Chinese communities were allowed to establish their own national-type schools, which later became Chinese independent schools, and used Mandarin as the medium of instruction (Wang, 2012). The Chinese independent schools taught Confucianism and Chinese literature (Gill, 2014). This was an attempt at cultural preservation by the minority Chinese in Malaysia.

Over time, the government attempted to make some policy changes. Realizing that English was needed to nurture global talent to lead in the rapidly changing science and technology fields, the government implemented another policy in 2003 to designate English as the medium of instruction in science and mathematics. As in Singapore, the Malaysian government made its decision based on the economic value of English. Today, English is widely spoken and taught in primary and secondary schools in Malaysia (Gill, 2014).
Whether for historical reasons or economic reasons, the English language adopted by both Singapore and Malaysia has facilitated foreign investments and contributes to economic growth. But beside the financial benefit, it seems fair to assume that English as a ‘common language’ has contributed to the cohabitation of communities in both Singapore and Malaysia (Pakir, 1998).

3.3.3. Outcomes of the language policies as a means of nation-building

English, a common language in Singapore, served as a mechanism for economic development. Hejazi and Ma (2011), who modeled the intra-language and inter-language effects for FDI activities at the country level, found that English-speaking countries have enhanced both outward and inward FDI more than other countries. Their data clearly showed that having English as an official language enhanced the country’s multinational activities, such as FDIs. The Singaporean government had identified the economic value of English and used it as the dominant official language since independence. Broadly speaking, Singapore’s economic evolution can be summarized as ‘foreign direct investment (FDI) driven’ until the 1990s and ‘foreign talent-driven’ from early 2000s to-date (Leggett et. al., 2017). According to The World Bank (2019), Singapore has an average of 19% FDI net inflows since 2010. In a similar vein, Singapore scored 89.82 points in the ‘FDI and Technology Transfer’ indicator of the ‘2018 Global Talent Competitiveness Index: Diversity for Competitiveness’, published by INSEAD (2018), ranking 2nd among 119 countries.

Malaysia implemented policies to symbolize Bahasa Melayu as a national identity and a binding language intended to foster communication and racial harmony. English and the Malay language were taught in schools, but the media of communication in many subjects has been Bahasa Melayu. Nevertheless, English is used in many business areas, and the status of English in the education sector gradually increases. Although the Malaysian government has more recently pushed for bilingualism and the use of English, the outcome towards FDI differs.
According to The World Bank (2019), Malaysia averaged 4.1% of FDI net inflows from the 1970s to 1990s and averaged 3.3% of FDI net inflows since 2000 until 2017. Malaysia scored 75.98 points in the ‘FDI and Technology Transfer’ indicator of the ‘2018 Global Talent Competitiveness Index: Diversity for Competitiveness’, published by INSEAD (2018), ranking 8th among 119 countries, but 27th in the overall ranking.

4. DISCUSSION

We used a case-centric process tracing to infer a plausible explanation on multiculturalism and its related outcomes in Singapore and Malaysia. Figures 4 and 5 illustrate how causal mechanisms can be accounted in Singapore and Malaysia, respectively.

Figure 4. Case-specific ‘Integration and Pragmatism’ Mechanism
Although the two countries promoted multiculturalism, we outlined variations in policies. Singapore has adopted a policy of equality for everyone “regardless of race, language or religion”, and maintained this policy to promote interethnic integration in housing, education, and immigration for nation building. Singapore’s approach was borne out of necessity and pragmatism in the prevailing context, as Lim, Yang, Leong, and Hong (2014) argued. Chua (1995) thus outlined that pragmatism was a dominant feature of the People’s Action Party (PAP) leadership and institutionalised in all its administrative. He noted: “The major concepts underpinning its ideological hegemony for the first twenty years since independence were ‘survivalism’ and ‘pragmatism’” (Chua, 1995, p.37). This stance was apparent, for instance, in the way the PAP instrumentalised the trade union movement early on: “It is the consciousness of our being co-owners of the new society we are creating that provides the drive for fulfilment. In the multi-racial countries like ours, trade unions have a special role in building up this spirit of camaraderie amongst the workers. Developing the economy, increasing productivity,
increasing returns, these make sense only when fair play and fare shares make it worth everyone’s while to put in his share of effort for group survival and group prosperity” (Lee Kuan Yew, in Nair, 1976, p. 97). The policy of equality for everyone in building camaraderie and multiculturalism was spread in many facets of the society.

Malaysia, on the other hand, sought to affirm the status of Bumiputera as the basis of a new society. The NEP was introduced with the aim of backing Malay’s social ascendency, and serves to recognize and to bring parity for the Malay ethnic group. The NEP then come to be “associated with “positive discrimination” or “affirmative action” on behalf of the mainly Malay Bumiputeras” (Jomo, 2004, p.1).

We insisted on the function played by Singapore’s housing policy in relation to racial and ethnic tolerance. Lim et al. (2019, p. 122) also concluded that “as a result of the ethnic residential quota in public housing, people of all races work, study, play and live side by side, encouraging the formation of a racially inclusive society”. Yet, Singapore is a city-state roughly the size of Los Angeles while in the case of Malaysia, there may be a rural/urban divide, north-south divide or coastal-inland divide, with more conservation values or ethnic enclaves in certain areas like Penang versus Terengganu for example. Districts or states aside, both countries have generally maintained an open position on migration, but there was a notable difference in the practice of foreign labor deployment. Singapore has taken a strategy to develop industries evenly, using a wide range of labor forces, from low-skilled workers to highly skilled workers, while Malaysia has largely embraced unskilled workers for the development of traditional manufacturing industries. More than 95% of Malaysian foreign workers are unskilled, while policies on foreign workers are not consistently pursued in line with long-term labor market needs. Malaysia has controlled the supply and demand of foreign workers to protect local workers and their families from competition by migrants (Sultana, 2009). In addition, the Malaysian government has imposed higher levies on foreign labor than
that of Singapore (Findlay and Soesastro, 2004). On the other hand, Singapore has opted for demand-driven approach on immigration options for skilled foreign workers through different categories of Employment Passes. Approximately 28% of its foreign labor are skilled workforce issued with S-Pass and Employment Passes (rather than Work Permits). As a result, both the ‘Diversity of Workforce’ indicator (WEF, 2019) and the ‘Skilled Labor’ indicator (UNDP, 2018) show Singapore outperforming Malaysia.

Singapore introduced the ‘bilingual policy’ to protect the identity of each ethnic group by having their mother tongue taught in schools. In a different way, Malaysia implemented policies to symbolize Bahasa Melayu as a national identity. It is only recently that the importance of English has become more widespread in Malaysia, in the areas of commerce and education. As mentioned, having English as an official language can contribute to facilitate multinational activities (Hejazi and Ma, 2011). The ‘FDI net inflows’ (The World Bank, 2019) and ‘FDI and Technology Transfer’ (INSEAD, 2018) indicators indeed suggest that Singapore fared better in this respect, although it is obvious many other conditions factor in.

Multiculturalism can be used as a strategy to improve a nation’s competitiveness (Ng and Metz, 2015). However, the most difficult empirical question when discussing multiculturalism relates to its outcomes (Koopmans, 2013). Ng and Metz (2015) looked at eleven areas on how multiculturalism can be a strategy for national competitiveness, whereas in this study we limited the outcomes of multiculturalism to five areas of national competitiveness. Judging solely by the outcomes shown from sub-indicators (Global Racial and Ethnic Tolerance; Diversity of Workforce; Skilled Labor; FDI Net Inflows; and FDI and Technology Transfer), we observe that Singapore’s scores supersede those of Malaysia in relation to all indicators.

5. CONCLUDING REMARKS
Comparing Malaysia and Singapore is most interesting, as the pair exposes divergences within commonalities. Multiculturalism existed in each context, yet has taken different trajectories: cohabitation under segregation for the former, unity with some degree of subordination to the ‘core’, for the latter. Indeed, while the Malaysian NEP was ostentatiously designed and branded to advance the Bumiputeras social hegemony, from the late 1970s onward, New Confucianism served as a catalyst for identity building, marked by a “sino-centric nation building narrative” in Singapore (Pezzutto, 2019, p. 232, in Le Queux and Kuah, 2020). This state-sponsored narrative provided background legitimacy to indirect forms of elitism and meritocracy in favour of the Singaporean power base (Teo, 2019).

By means of analogy, we may suggest to look at ‘varieties’ of multiculturalism in ways we examine the ‘variety of capitalism’ (VoC), with an emphasis on the meso-level of analysis (McCann 2014). This was in some way what this paper attempted to achieve using the CPT modelization, which indicated the scope for and significance of social agency leading to different outcomes in nation building. At micro or organizational level, the competitive advantage stemming from diversity has been widely recognized by international human resources management and cross-cultural management studies (INSEAD, 2018). In this paper, we opted to direct the analysis to a meso-level since it arguably represents a relevant level in relation to the institutionalization of multiculturalism that, we infer, impacts on macro dimensions such as social cohesion and competitiveness. The degree of inference ought to be taken with caution, it is an obvious limitation, but inference from the meso-level, we suggest, has some methodological purchase in disentangling approaches and outcomes down the track. It too has consequences in matters of corporate governance, least in regard to compliance to legislation such as EEO or discrimination, which also opens perspectives for international comparisons (Klarsfeld, Ng, Booysen, Christiansen, and Kuvaas, 2016).
We concede that other intermediate variables could have been considered or given more scrutiny. In our cases for example, demographics and human geography are important factors. The fact that Singapore is a city-state with a smaller population can arguably make it easier, although the input of migrants in proportion of the population and the issue of congestion can become a greater challenge. Industrial relations could have been scrutinized as yet another variable among others. Industrial relations mirror the differing stances towards multiculturalism in each country, in particular with regard to migrant workers. From the 1991 White Paper on ‘National Shared Values’ insisting on racial and religious harmony (Tan, 2004, p. 8) to the 2016 Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP), multiculturalism has been a constant matter for Tripartite governance in Singapore. Malaysia has been in the spotlight of the international community for the marginalization and disregard of migrant workers, in significant numbers according to labor NGOs, abandoned to ‘modern-day slavery’ (ITUC, 2012; Ng, 2014), including entrenched practices of debt bondage and human trafficking (Verite, 2014).

In conclusion, can we identify some form of path-dependency in what shapes multiculturalism? We observed that the composition and distribution of the migrant workforce was indeed a proxy for the model of development each country locked in. The general proposition that comes up from this paper is thus that social agency matters in relation to multiculturalism, how you embrace it and what you make of it, and is a matter of political orientation, choice and governance that can be traced, cross-examined and allows for contextualized comparisons.

[Conflict of interest]
: The authors declare no financial or commercial conflict of interest.
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29


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