

***Final Report***

**“Socio-Economic Relations between Thailand and  
Malaysia: Prospects and Challenges”**

**Professor Dr. Jaran Maluleem**

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**Submitted by**

**Professor Dr. Jaran Maluleem**

**(Head of the Project)**

**Faculty of Political Science**

**Thammasat University**

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Malaysia: Prospects and Challenges”**

**Research Team**

1. Professor Dr. Jaran Maluleem

Faculty of Political Science Thammasat University

2. Dr. Mohd Faheem

Muslim Studies Centre, Institute of ASIAN Studies,

Chulalongkorn University

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### **บทคัดย่อ**

การมีความสัมพันธ์ทวิภาคีระหว่างสองประเทศในด้านต่าง ๆ นั้นจำเป็นจะต้องมีความไว้วางใจและให้การเคารพซึ่งกันและกันอันจะเปิดโอกาสไปสู่ความรุ่งเรืองและสันติระหว่างสองประเทศ ความสัมพันธ์ระหว่างประเทศไทยและมาเลเซียเป็นประจักษ์พยานได้ถึงการสนับสนุนผ่านความร่วมมือและการเป็นหุ้นส่วนในด้านสังคม เศรษฐกิจ โดยเฉพาะอย่างยิ่งบริเวณชายแดน ตลอดระยะเวลาที่ผ่านมา ทั้งสองประเทศได้พัฒนาความสัมพันธ์ในระดับระหว่างรัฐบาล รวมทั้งในระดับประชาชนในด้านการศึกษา การค้า การลงทุนและการท่องเที่ยว การศึกษานี้จึงมุ่งความสนใจไปที่ความสัมพันธ์ระหว่างประเทศไทยและประเทศมาเลเซียในด้านสังคมและเศรษฐกิจชายแดน ทั้งที่เป็นแนวโน้มและความท้าทาย การศึกษานี้ได้เปิดโอกาสให้มีความเข้าใจถึงความร่วมมือซึ่งกันและกันระหว่างสองประเทศ ซึ่งนำไปสู่ความรุ่งเรืองของภูมิภาคในที่สุด

**คำสืบค้น :** ชายแดน , ความสัมพันธ์ , สังคม, การเมือง , เศรษฐกิจ , วัฒนธรรม , การศึกษา

### ***Abstract***

Bilateral relationship between two countries on the different fronts requires a strong mutual trust and respect to each other which provides an opportunity of prosperity and peace between them. The relations between Thailand and Malaysia have been a witness of enhancement through the cooperation and partnership in the areas of social and economic particularly on the border areas. Over the period of time, both countries improved their relationships by engaging at government as well as people level in terms of education, trade, investment and tourism. This study focused on the relations between Thailand and Malaysia on the social and economic fronts in the border areas and its prospects and challenges. This study has given an opportunity to understand the mutual cooperation between both countries which ultimately leads towards regional prosperity.

***Key Words:*** *Border, relations, social, politic, economic, culture, education*

### Executive Summary

The cooperation and partnership between Thailand and Malaysia in the 21<sup>st</sup> century bring fruitful outcome because of multi-level engagements especially in the border area. The relations between two countries are very essence for holistic regional development of Southeast Asia. This research has identified the areas of study which mainly on social and economic fronts with the objectives to find out internal factors of Thailand and Malaysia which affect to Thailand and Malaysia relationships and trends of relationships in the future between Thailand and Malaysia. This study conducted with the help of primary and secondary sources of data and analyzed the information which have covered by interviews and available secondary information from different related sources. The research reveals in the perspective of prosperity in the fields of social and economic front is bright. There is the short term engagement in comprehensively through the bilateral trade agreement, educational exchange in the higher education, frequent consultations and close cooperation on political, security, economic and different social areas. There is also the long term engagement and contact by different groups such as youths, scholars, artists, bankers, manufacturing and government officials of different departments. At the same, there is cause of concern on the political front especially the conflict in the Deep South in Thailand but due to willful engagement of various responsible authorities try to ease the conflict in the contemporary time.

This research has identified several significant areas those can effectively contribute to create conditions for meaningful role to play for enhancing relationships between Thailand and Malaysia. In order to create the desired conditions there are following suggestions are made by the researcher:

- 1) The relationships between Thailand and Malaysia require a conducive environment to engage at multiple levels. From all the ongoing engagement practices- it is apparent that relatively more priority is given on the socio and economic side on the border area. Thus, this

research recommends for an approach of effective engagement at multiple levels on different fields on the border area.

2) The decision making process of two countries gives significant changes in socio-economic sphere and the effective practices in term of willful engagement is required.

3) There is an hour of need for the media to play important role to create a space to foresee the opportunities for coexistence and mutual cooperation.

4) The young generation is vital section for the effective engagement between two countries. Education is the best means of compliment the realization of prosperity by the Thai people on the border area and Malaysia has immense potential to give an opportunity by engaging in the field of education to the youth of Thailand on the border area.

## **1. Introduction**

The 21<sup>st</sup> century witnessed a close cooperation and partnership between Thailand and Malaysia in spite of unrest in the Deep South of Thailand where majority of Thai people adhere with Malay Culture. Thailand and Malaysia are fortunate to have Royal families the Royal diplomacy gives strengthened and bond of friendship to the gamut of contacts between the two nations. Bilaterally, Thailand and Malaysia cooperated in many fields including security, education, and economic. The relationship between Thailand and Malaysia has been improved because both sides have been actively engaged at all levels including peoples.

## **2. Significance of the Study**

The socio-economic relations bring fruitful outcome between Thailand and Malaysia and they would together play important roles in bringing about peace and prosperity to their respective country as well as ASEAN. This socio-economic relations give a clear driving force for strengthen of multi-level engagements.

## **3. Objectives of the Study**

The objective of the study is to understand the scope of socio-economic relations between Thailand and Malaysia and the potentiality of relations for holistic regional development of Southeast Asia. This research focuses on :

1. Internal factors of Thailand and Malaysia which affect to Thailand and Malaysia relationships.
2. Trends of relationships in the future between Thailand and Malaysia.

#### 4. Literature Review

Omar Farouk Bajumid (2006) *The Malaysian Factor in the Prospect for Peace in Southern Thailand* in Imtiyaz Yusuf and Lars Peter Schmidt (eds) **Understanding Conflict and Approaching Peace in Southern Thailand** (Bangkok : Konrad Adenauer Stiftung)

Omar Farouk Bajumid given an importance of Islamic education by saying that Malaysia should offer to Thailand its expertise in Islamic education to provide advice and possibly funding to facilitate the re-organization and modernization of pondoks and madrasas, the traditional Islamic educational institutions in the southern region. This assistance must be undertaken through close consultation with the relevant Thai authorities and in transparent manner. It would be also a good idea for both Thailand and Malaysia to jointly introduce peace education in their school curriculum. In addition to this, Malaysia should also offer scholarships to southern Thai students, irrespective of their religious background, to study in Malaysia's higher educational institutions, exchange of teaching staffs as well as graduate students should also be encouraged. All this will likely constitute not only a form of confidence-building-measure but also an important investment in the future's human resources which needs of the two countries. In this regard in term of religion there was an exchange of Islamic cooperation of both countries leader in company with Shiekul Islam (Chula Rajmontri) the supreme religious leader with other religious leaders from various provinces including Upper south and Deep South.

Voravit Baru, (2007) *Cooperation-Malay Studies between Thailand and Malaysia*, **Rajaphruek Bunga Raja, 50 years of everlasting friendship between Thailand and Malaysia. 1957-2002** (Bangkok : Ministry of Foreign Affairs) also discusses about education by mention that in the field of higher education The Prince of Songkhla University – Pattani Campus was the first university in Thailand to offer courses in Bahasa Malaysia (Malay language) and in Malay studies as part of the

curriculum for the bachelor degree. Although courses in Bahasa Malaysia have been taught as a minor in the Faculty of Humanities and Social Sciences since 1976 and later opened as a major in 1989, courses in Malay studies only started in 1996. Courses in Bahasa Malaysia and Malay studies at the university are conducted in close cooperation with Malaysian counterparts including government, educational institutions, and private institutions.

Due to the university's close cooperation with Malaysian institutions, its proximity to Malaysia, as well as its advantages of being located in an area where a variety of culture and ethnicity coexist, the Prince of Songkhla University – Pattani Campus has an opportunity to play a leading role in providing courses in Bahasa Malaysia and Malay studies aiming to promote studying, teaching, and research in fields relating to arts and cultures. With this in mind, the university has signed numerous Memorandum of Understandings (MoUs) on academic cooperation with several Malaysian educational institutes, including the University Sains Malaysia, the Islamic international University of Malaysia, the University Putera Malaysia, the University Utara Malaysia, and the Dewan Bahasa dan Pustaka. These MOUs have created tangible implementations in various fields.

Imtiyaz Yusuf (2007) *Many faces of Islam*, **Bangkok Post**, August 10, mention that As a matter of fact the role play by Malaysia toward southern part of Thailand as a member of ASEAN and as a Muslim neighbor sharing ethnic relation with the Malay Muslim of the South, become both crucial and complicated but essential one. According to many reports Malaysia does not want to get involved uninvited.

However, many authors also come to a similar conclusion that the conflict in southern Thailand is largely a local conflict rooted in clashes between two ethno-religiosities, those of Thai Buddhists and Malay Muslims. In the Deep South there are demands for the recognition of ethnic, linguistic and

cultural identity of southern Muslims and addressing of their political complaints with a sense of justice.

Mala Rajo Sathian (2007) *Thai Malaysian Relation Celebrating 50 years of Friendship and Alliance* , **Rajaphruk Bunga Raja, 50 years of everlasting friendship between Thailand and Malaysia 1957-2002** discuss about economic relationship between the two countries that the Joint Development Area (JDA) plan agreed by both parties in February, 1979 is a platform for both countries to work together in developing the economies of these countries particularly in the fisheries, petroleum and gas sectors. Whereas previous co-operation between Thailand and Malaysia was a government to government arrangement, under the JDA a synergy between governments, private sector and people was initiated. The involvement of the private sector in boosting economic growth in both the countries served to enhance better bilateral relations between Thailand and Malaysia.

Chapa Jitparatum (2009) *Thailand – Malaysia Relation 2004-2006* (Institute of Asian Studies, Thailand Research Fund)

This article discusses Thailand and Malaysia established formal diplomatic relations officially on 31 August 1957. Actually good relationship between Thailand and Malaysia can be traced far beyond diplomatic relations. Thailand and Malaysia have laid down a very firm closing relationship and cooperation in many aspects of bilateral relations, for example Thailand-Malaysia Joint Commission (JC), the Joint Development Area (JDA) and the Joint Development Strategy for border Areas (JDS). Relations and cooperation in all aspect will enhance socio-economic activities as well as uplift the living standards of people in the border areas.

Jaran Maluleem (September, 2012) *Thailand and Malaysia Relation on the Border Area* (International Journal of Business & Social Sciences (IJ BMSS) Vol., 11 issue1 (II)

This research article discuss Thai – Malay relations have been enhanced through the cooperation and partnership on the social, economic, and political fronts after Thailand and Malaysia established the diplomatic relations. On the regional level, both nations have immense potential to become driving force for regional growth with the close and cordial relations. This paper focuses on bilateral relations in the areas of education, trade and commerce, and security between Thailand and Malaysia.

## **5. Research Questions**

1. What are the socio-economic areas for enhancing the relationship between Thailand and Malaysia?
2. What are the prospects and challenges for Thailand and Malaysia relations?

## **6. Methodology**

The study conducts with the primary and secondary sources of data. The desk research is done at the preliminary stage of the research where the methodology has finalized and a thorough analysis of information done. The tool for the research was literature review of the existence studies.

This research is based on qualitative research which interpreted from documentary research and analyze by descriptive analysis and descriptive research which study from primary sources like speeches and interviews of Prime Ministers and those who formulate foreign policy of Thailand and Malaysia including official documents. The secondary source includes data from news, articles and newspapers, websites of Ministries of foreign affairs of Thailand and Malaysia.

## **7. Framework of the study**

For the study on *the Socio-Economic cooperation in border areas between Thailand and Malaysia : the Prospects and Challenges*, the researcher uses linkage Politics of James N.Rosenau

to apply in the unit of analysis for the relationship between Thailand and Malaysia by considering that how relationship between two countries affect relations in other aspect.

### **8. Expected Outcome of the Study**

The prospects of socio-economic relations for the future will bright between Thailand and Malaysia. In the short term, the bilateral relations will be more comprehensive through the bilateral trade agreement and frequent consultations and close cooperation on security, economic and social areas. In the long term, exchanges between people of both countries must be encouraged especially between different groups such as youths, scholars, artists, bankers, manufactures and officials.

In order to understand the factor that influence the relationship between Thailand and Malaysia after independence to present to know the cause of the declining and the close relationship between the two countries who founded ASEAN and never broken into arm conflict. It is useful for those who interest in resolving the ongoing conflict in the Deep South and the transitional period of a Muslim minority.

The relationship between Thailand and Malaysia will essentially bring peace and prosperity to both country and ASEAN in general. The socio-economic will be clearly seen in strengthen the relationship in all levels.

### **The interview data**

The interviews have taken from those people who are concern and follow up the issue by using the framework of Linkages Politics as an instrument of interpretations and analyze.

James N.Rosenau (1969) *Linkage politics Essays on the Convergence of National and international System* (New : York : Free Press) has introduce the approach of Linkages Politics by given an idea that International politics is necessary to study both internal and external factors together

because the present world is a world of advancement of technology and science , it is a world beyond frontier and the gap of time and space is narrow down therefore the national political system or the small system like each countries and international political system has link to each other, engage and inter-complexity.

The topics of this research focuses on social relations, communications relations , educational relation, and cultural and historical relations of Thai Malay in Southern part of Thailand, political participation of Thai Muslim, political relations, economic relations, investment and tourism and Malay Thai in Kalantan.

### **Social Relations**

At the people level, it found that the people of the border area are homogeneous in terms of culture, language and religion. Thailand and Malaysia have made more than 32 agreements up to now, both before and after independent. Both countries pass through a good period of time and never turn into violence.<sup>1</sup> They have a good record of relationship and sharing responsibility since past. The ties between the people of the two countries are so strong.

Thais and Malays along the border areas have long frequented one another, bonded together by kinship and neighborliness, long before international boundaries were drawn. Whether because of history, geography or culture, these two countries have a shared destiny. The prosperity and peace of one is inevitable tied to the peace and prosperity of the other.<sup>2</sup>

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<sup>1</sup> Chaichoke Julsiriwongs “ปัญหาพรมแดนไทยและความมั่นคงแห่งชาติ” (The Problem of Thailand Border and National Security) (Bangkok : Samphand Panich, 2533) p.29

<sup>2</sup> Message from Nitya Pibunsonggram , Former Minister of Foreign Affairs the Kingdom of Thailand, **Rajaphrueh Bunga Raja**, p.10 Voravit Baru, (1957-2002) *Cooperation-Malay Studies between Thailand and Malaysia*, **Rajaphruek Bunga Raja, 50 years of everlasting friendship between Thailand and Malaysia. 1957-2007** (Bangkok : Ministry of Foreign Affairs, 2007) p.10

Due to geographical condition and historical ties both countries have a very close relation like an exchange of visitors and also exchange of trade, business, education , visit of relatives and linking of communication. Both countries allow the people of another nationality who live in the border use border pass issue by the local administrative of each side to travel to border area of both countries without passport.

### **Communication Relations**

Southern Border Provinces Administration Centre (SBPAC) is one of the key mechanisms of the state to solve the problem of south border that lead to the conflict peace in southern border area. Communications understanding is the heart of the operation in the southern provinces. It must be realized that there is a unique economic, social, cultural and linguistic ties with ASEAN countries. The population more than 80 percent are Muslim so Malayu is the main language that people use every day in their life, and it becomes their identity since a long time. This is the main reason. With the initiation of SBPAC, It refits and upgrades work on new communication which is presented by the media and using Malayu language for 100 percent within 24 hours.

Plo.Maj.Gen.Jumroon Den Udom, the Chairman of Board Director for Malayu television said that the project is consistent with the policies of the government and intensifying surveillance , Pol.Col Thawee Sodsong , The former Secretary of Southern Border Provinces Administration Centre to establish an understanding of the people in the three southern border provinces which are Pattani, Yala, and Narathiwat communicate with the four states of the north of Malaysia i.e. Kelantan, Terengganu, Perak, and Kedah states.

This is the first time that people in the border areas have Media and presented themselves to the society. It is not only in three provinces, but it is also for the entire country of Thailand, and the

population is 600 million in ASEAN and Malayu people in the region are up to 300 million “said Pol.Maj.Gen. Jumroon Den Udom

For presenting information on the media, it uses Pattani language (BAHASA MALAYU PATTANI) because people in the region around the world can understand and communicate with each other. It will preserve Pattani language that has not been developed for a long time and to return to the world of social communications.

As for doing it, initially, it established under the name. “Malayu radio station in Thailand or it can be called in English as Television and Radio Bahasa Melayu, Thailand” or initials that TRMT. TV channel is already broadcast the Muslim TMTY for 30 minutes a day from time 08.00-08.30 p.m. until they have established their own television stations.

Television TRMT, it is truly the people’s station. We do it, made it, and present all the story and Southern Border Provinces Administration Center has supported the budget. It is expected that the monthly budget is 16 million Baht. The whole day has been broadcast to the public in the southern provinces on 88.75 MH radio wave started from Jan.3, 2013. This is another way for Southern Border Provinces Administration Centre (SBPAC) is going to sit in the mind of the three southern border provinces to reduce friction and return to sustainable peace.<sup>3</sup>

### **Educational Relations**

The Malay Muslims of the Deep and Upper South pay a lot of respect to and are proud of the role of *pondok* schools, which play a central role in maintaining and transmitting Malay ethnic identity, language and religion. Thus, they are very sensitive to any state-based efforts to transform the *pondok* into institutes of modern education. They also expect the “Islamic Private Schools”, which are

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<sup>3</sup> See Alami Report, **The Alami Magazine**, January, 2013, pp.30-31.

registered with the Ministry of Education and implement a combined religious and modern educational curriculum, to continue playing the role of maintainer and transmitter of Malay ethnic and religious identity.<sup>4</sup>

Students from border area (Yala, Narathiwat Pattani, Songkla and Satun) mostly like to further their studies in Malaysia University especially at UIA (Universiti Islam Antarabangsa) or call in English as International Islamic University (IIU) also at University Kabangsaan Malaysia, Universiti Perguruan (SI) Universiti of Mara UITM (Universiti Teknologi Mara) Universiti Utara (UUM) Universiti Petanian (UPM) and Petronas Malaysia University (UKM), University of Malaya<sup>5</sup> (UM). Those who study at Kuala Lunbur, Perak etc. will go by bus from Kelantan and those who study at Universiti Science Malaysia (USM) at Penang will go by a van from Hatyai. The subjects studied by Thai students are many, like Islamic Studies, Science, Literature and Education.

Most of the students who graduated from Malaysia work as a teacher in various educational institutions. Some may join University such as Prince Songkla of (Pattani Campus) and some of them join *Pondoks*.

Since International Islamic University supported by Organization of Islamic Cooperation (OIC) is a leading Organization of Muslim World therefore, the leading member of OIC like Saudi Arabia and Kuwait have support many Thai students to study at this University with scholarship. However, such kind of support has been decreasing after the year 2000 due to the political conflict in the Middle East. Among Thai students of the border areas, some of them who completed religious education may come back directly to Malaysia and working in Malaysia. According to the University's code of conduct, all foreigners including Thai-Buddhists students while they study in IIUM, must be in Hijab.

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<sup>4</sup> Imtiyaz Yusuf, *Many faces of Islam*, **Bangkok Post**, August 10, 2007, p.4

<sup>5</sup> While other University will provide courses for B.A. but UM will provide only M.A. and Ph.D. level

Thai students who are studying in Malaysia may stay in hostel in Universities' campus or hiring a house outside the University. At present, Thai students prefer to stay outside the University because the cost of living not so high and more comfortable with privacy and security.

### **Thai Students in Malaysia**

In the secondary level, there were 60 students studying of the year 2004 at Adni International Islamic School in Kaula Lumpur which is one of a famous private Islamic school of Malaysia. The main objective of parents who send their children to Malaysia is to know English and Bahasa Malaysia and believe that Malaysian educational system is quite progressive. Some of Thai students join Malaysian International schools for enhancing their Bahasa Malaysia and English languages and these students mainly come from every part of Thailand especially from the Upper and Deep South. In the eyes of Thai parent, Malaysia educational system focuses on quality rather than on quantity and subjects are thought to students to get exam for obtaining 'O' level of Cambridge.<sup>6</sup>

Moreover, Thailand has signed MoUs in 2007, while Prime Minister Sorayud Julanont visited Malaysia. These MoUs are one of the cooperation between ministries of Education of both countries. According to these MoUs, there are also exchange of teaching instrument, exchange program and symposium etc. The subject of cooperation are science , mathematics, information technology , media and religious science, the education for gifted, the development of special curriculum and the acceptance of the degree of each country.

Currently, there are 734 Thai students studying in Malaysia out of which 186 are in the private higher institutions, 200 in public institutions, 157 in private school and 191 in public schools. At the

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<sup>6</sup> Interview Nik Abdul Rakib binti Nik Hassan. Head Nusanara Studies Centre , Department of Malay language and Malay Studies, Prince of Songkla University , Pattani Campus Rusamilae Ballroom , C.S., Pattani Hotel, February 8, 2014

higher level, there are scholarships for the Thai students from Deep South for pursuing their Master and Ph.D degrees at University Kabangsaan Malaysia (UKM). Under these scholarships, students study in the various subjects.

### **Malaysian Students in Thailand**

There are nearly 50 Malaysian student have come to study in Thailand at various educational levels. Some of them have come for a short course for a month or a semester.

### **Cultural and Historical Relations of Thai Malay in southern part of Thailand and Malay Thai in**

#### **Kalantan**

From the study of culture and historical ethnology of the southern part of Thailand and the northern part of Malaysia, it found that both areas are very interesting in the research fields of culture of Southeast Asian region because of the overlap between nationality and ethnicity.

The demarcation of the border of the state is done by the British between Thailand and Malaysia in 1909 and making a lot of people of Malaysia origin to become Thai citizens while some of Thai origin becomes Malaysian citizens. The outcome of this situation showed that the cultural identity of these people differ from the majority in the country where they live but similar to the majority of the neighboring countries. The most interesting is that while most of Malay Thai minority living with the majority harmoniously but Thai Malay has to live in the society that full of conflict and violence.

Moreover the use of historical records related to Thai Malay in relation to the people in the community are mostly incline toward a negative one while the case of Malay Thai are in the opposite. Looking from the socialization aspect, it found that in Malaysia the educational system and the families of ThaiMalay of Kalantan help these people to understanding history and historical ethnology of

Malaysia far better. These people had their own family, educational institutions and other institutions which represent them as an “agent” of socialization while the historical ethnology of Thai Malay become the close one. Most of the families do not understand historical ethnology of their own. Moreover, the Thai educational institutions will teach only Thai history that mostly not in accordance with historical ethnology of Thai Malayu.

Therefore, the families and educational institutions of Thai Muslim cannot represent themselves as an “agent” of socialization. In the meantime other representatives like mass media will always present the violence ways between the ethnics. The study also shows that the ethnic identity of Malay Thai tend to be use in a positive way while the cultural identity of Thai Malay tends to be use in a negative way.

From the study of social environment of Thai Malay, it found that the Malayness of Thai Malay do not fully accept while the Thainess of Malay Thai almost accepted from the Malaysian society. Moreover, some identity of Thai Malay are in conformity with the identity of Malaysia i.e , the Bumiputera but such conformity cannot found in the deep south of Thailand. Considering from the finding of Brown<sup>7</sup> , it found that the identity of a nation of Thailand and Malaysia is a mix up between a nation which related to politic and nations that related to culture. However, if considering in detail it will found that in Malaysia it has a nation in related to politic more than in Thailand as Malaysian society still emphasized on plural society and culture. While the Thai identity is centralization and it opposed to the identity of Malay Thai in various ways.

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<sup>7</sup> See David Brown, **The State and Ethnic Politics in South East Asia**, London and New York : Routledge, pp. 260-26

Such information have repeated the conception of Brown who mentioned that the nation that relatively related to politic is in conformity with the countries of Southeast Asia more than the nation that relatively related with the culture.

### **Political Participation of Thai Muslims**

In terms of religious demography, Thailand is majority Buddhist with Islam as a major minority religion. Thailand is also currently facing separatist violence in its deep southern ethnic Malay-Muslim provinces. In a multi-ethnic , a multi-religious country with a total population of 65 million,<sup>8</sup> the Thai Muslim population is about 5-7 million , making approximately 7.5% of the population<sup>9</sup> The mono-ethnic Malay Muslims of the Deep South constitute about 44% of the total Thai Muslim population.<sup>10</sup> The spread of Thai Muslims residing in the rest of the country are multi-ethnic. The spread of Thai Muslims all over the country reflects the variety within Islam in Thailand which is internally divided along ethnic lines and also more recently, along sectarian lines following the arrival of Islamic puritanical trends from South Asia, the Middle East and other countries in the region. Recently, a Thai Shia Muslim community has also emerged.

Since the adoption of the model of constitutional monarchy in 1932, the Thai political system has undergone major shifts, advances, and setbacks along the democratic path.<sup>11</sup> It is interesting to note here, that in spite of the presence of a Malay-Muslim ethno-religious insurgency movement in the South, Thai Muslims have continued to engage in this democratic process ever since. This is unlike

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<sup>8</sup> "Thailand Fact and Figures" in **Bangkok Post Economic Review Mid-Year 2005**, Bangkok : The Post Publishing Company, 2005, p.36

<sup>9</sup> Michel Gilquin, *The Muslims of Thailand* , Chiang Mai : Silkworm Books, 2005, p.41

<sup>10</sup> Joet Selway, "Turning Malays into 'Thai-men : Nationalism , Ethnicity and Economic Inequality", **Southeast Asia Research**, Vol. 15, No.1, 2007, p.56.

<sup>11</sup> Fro a good recent historical study of Thailand, see, Chris Baker and Pasuk Phongpaichit, *A History of Thailand* , Cambridge : Cambridge university Press , 2005.

other similar situations in the world where separatism means boycotting of the national political process.

### **Political Relations**

Deep South of Thailand had been relatively peaceful for two decades. However the conflict escalated further after a raid on weapons armory on January 4, 2004. In this incident more than 50 militants staged a daring raid on an army camp, seizing a large cache of weapons and scoring an enormous propaganda victory followed by a bloody siege at the historic Krue Se mosque on April 28, 2004 when more than 100 men died in simultaneous attacks on a series of security posts. These two incidents follow by the two worst days of violence when unarmed protestors died mainly from suffocation and mass arrests at Takbai, Narathiwat on October 25, 2004. These incidents follow by Tanyong Limoh incidents when 131 Thai Muslim fled to the neighboring Malaysia in the state of Kelantan in October 2005.

Violence has occurred because militant groups have resumed armed opposition against the government after several years of peace. Among various causes of violence and objectives of insurgents opposing Thai state ranged from mishandling by the Thai government, excessive reliance on security measures to resolve problems, abolition of Southern Border Provinces Administration Center (SBAC) and the Civilian, Police Military Command 43 is also considered by many to be one of the causes of southern violence.

In Takbai incident, Malaysian politicians and political parties have been critical of Thailand's handling of the incident, calling it a massacre of the Muslims. In spite of all incidents the issue of how to treat people who flee across the Thai – Malay border into Malaysia also occurred.

The migration of 131 people from Narathiwat received a lot of attention from Muslim ummah of Southeast Asia and Muslim world. This fleeing of 131 Muslims became news after there was a report of the people in Tanyong Limoh that a respected Imam was killed by the government authority. The people of the village then immediately escaped to Malaysia. Malay media widely talked about this incident and said that Thai authority cannot control the situation. Kraisaak Choonhawan, the chairman of the house of Senator on foreign affairs, said that the government will end up by destroying the political culture that has been created in Thailand a land known as a place of refuge not a land of people who fled from their own country.<sup>12</sup>

The asylum given to 131 Malay-Muslim refugees from South Thailand by the Malaysian government has also been seen by Thailand as evidence of Malaysia's attempt to interfere in the domestic affairs of Thailand although this view is not shared by the Malaysian government which sees it purely as a humanitarian problem. Probably there is also a very sensitive political reason as to why the Malaysian government had no choice but to offer humanitarian assistance to the refugees especially to avoid the opposition Pan Islamic Party from politicizing the issue but the humanitarian dimension to the problem was simply overwhelming. This is not the first time that Malaysia has offered refuge to the Thai Malay-Muslim refugees fleeing political violence at home but this was definitely not a Malaysia-orchestrated conspiracy. Looking back, Malaysia has had a relatively close and cordial relationship with Thailand although for reasons explained earlier there were also bouts of tensions.<sup>13</sup>

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<sup>12</sup> See *Asia Time Online*, 17 September, 2005

<sup>13</sup> Omar Farouk Bajunid, **The Malaysian Factor in the Prospects for Peace in Southern Thailand**, *op.cit.*, p,225

Overall the relationship between the two countries was dominated by goodwill and friendship. Malaysia and Thailand too have had a history of successful security cooperation for more than forty years which eventually led to the dissolution of the Communist Party of Malaya.<sup>14</sup>

As a matter of fact the role play by Malaysia toward southern part of Thailand as a member of ASEAN and as a Muslim neighbor sharing ethnic relation with the Malay Muslim of the South of Thailand become both crucial and complicated but essential one. According to many reports Malaysia does not want to get involved uninvited.<sup>15</sup>

However, many authors also come to a similar conclusion that the conflict in southern Thailand is largely a local conflict rooted in clashes between two ethno-religiosities, those of Thai Buddhist and Malay Muslim. In the Deep South there are demands for the recognition of ethnic, linguistic and cultural identity of southern Muslims and addressing of their political complaints with a sense of justice.<sup>16</sup>

### **Economic Relations**

Thailand and Malaysia have fruitful bilateral cooperation and partnership in various areas of mutual interests. Both nations have bilateral mechanisms for better understanding and enhancing relations and cooperation such as the Joint Commission for Bilateral Cooperation (JC); Committee for Joint Development Strategy for Border Areas (JDS); Joint Trade Committee (JTC); and the General Border Committee (GBC).

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<sup>14</sup> See Kitti Ratanachaya, General Dato, **The Communist Party of Malaya, Malaysia and Thailand** , Bangkok : Duangkaew Publishing House, 1996 , P. 33.

<sup>15</sup> Related reference **Asia Time** Online, 17 September, 2005 see also Omar Farouk Bajunid, **The Malaysian Factor in the Prospects for Peace in Southern Thailand** , *op.cit*, p.325

<sup>16</sup> Imtiyaz Yusuf, **The Thai Muslims and Participation in the Democratic Process : The Case of 2007 Elections**, *Journal of Muslim Minority Affairs*, vol.29 , No.3, September 2009, p.329

Thailand and Malaysia agreed to have the Joint Development Area (JDA) plan in order to develop a platform for both countries to work together for growing their economies particularly in the fisheries, petroleum and gas sectors. Apart from the bilateral mechanisms, Malaysia is also working closely with Thailand under the framework Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) to improve the connectivity and socio economic developments of the peoples in both countries.

Bilateral trade, investment, and tourism have been on an upward trend over the last decade. Thailand is Malaysia's second largest trading partner in ASEAN, with the 2012 trade value of RM 74.02 billion (USD 23.96 billion). Thailand is also a major source of tourist arrivals in Malaysia with the 2012 figure of 1.2 million.

#### **Joint Commission for Bilateral Cooperation (JC) between Thailand and Malaysia**

The joint Commission (JC) was established in 1987 as a main bilateral mechanism to promote comprehensive cooperation between Thailand and Malaysia. Thailand established its first JC with Malaysia since then it has become a model for Thailand in establishing JC mechanisms with other countries. At present, JC between Thailand and Malaysia focuses on promoting cooperation in the Border areas, trade and investment, energy, tourism, caring of Thai workers in Malaysia, halal industry, education and human resources development, as well as Confidence Building Measures (CBMs) in the Southern Border Provinces in Thailand.

On the outcome the 12<sup>th</sup> JC meeting which was held in Phuket Province, Thailand on 14-15 December 2012, the then Deputy Prime Minister and Foreign Minister Surapong Tovichakchaikul said that:

On trade and investment, Thailand hosted the Second Meeting of the Joint Trade Committee (JTC) in March 2013 in Chiangmai to discuss economic cooperation in the border areas.;

On cooperation along the border area, Thailand was pleased that Malaysia convene a meeting on immigration cooperation at the border area to facilitate movement of people along the border area, which can assist both sides in addressing the issue of dual citizenship by comparing national registration database of Thailand with the Malaysian Automated Clearance System (MACs).

On tourism, both sides agreed to promote railway tourism on the Pedang Besar – Hatyai – Bangkok - Chiangmai route, and connect tourist destinations in both countries by road, sea and air. On Confidence Building Measures (CBMs), both sides were of the view that people are at the heart of development and agreed to advance our cooperation in Thailand's Southern Border Provinces , especially in the fields of education, entrepreneurship and employment (or the 3Es) in order to promote further socio-economic development in the border areas.

#### **Joint Development Strategy for Border Areas (JDS) between Thailand and Malaysia**

The Joint Development Strategy was established in 2004 to promote the well-being as well as economic and human resources development of people in the five Southern Border Provinces of Thailand (Songkhla, Yala, Satun, Pattani, and Narathiwat) and four Northern states of Malaysia- Perlis, Kedah, Kelantan, and Perak (only Pengkalan Hulu). The promotion of economic development would contribute to the enhancement of security in the border areas as well as the Royal Thai Government's efforts in resolving the situation in the Southern Border Provinces.

On the outcome of 3<sup>rd</sup> JDS Meeting which was held in Phuket Province, Thailand on 14-15 December 2012, Deputy Prime Minister and Foreign Minister Surapong and Foreign Minister Anifah said that :

Thailand and Malaysia stressed the importance of promoting connectivity, facilitation of cross border travel and transport, and human resource development in the border areas between Thailand and Malaysia.

Both sides agreed to expedite the infrastructure, physical and economic connectivity along the border areas in accordance with the set timeframe and objective as follows: the linking and integration of the Southern Development Plan (SDP) of Thailand with the Northern Corridor Economic Region (NCER) and the East Coast Economic Region (ECER) of Malaysia; the prioritization of the construction of the two remaining bridges across the Golok river at Tak Bai-Pengkalan Kubor and Sungai Golok - Rantau Panjang with the view that the said two bridges should be constructed in parallel with one another; and the opening of the first phase of the Custom-Immigration-Quarantine (CIQ) at Ban Prakob, Songkla Province, in February 2013 and the completion of the second phase of this CIQ in 2016.

Thailand and Malaysia agreed to explore the possibility of reactivating the operation of the rail service linking Thailand and Malaysia via Sungai Golok - Rantau Panjang to Tumpat with a view to promoting cross border travel and economic connectivity in the border areas.

Also, to follow up on the progress of this JDS meeting, Malaysian Foreign Minister Anifah and the then Deputy Prime Minister and Foreign Minister Surapong planned a joint visit to Southern Border Provinces (SBPS) in 2013.

Furthermore the then Deputy Prime Minister and Foreign Minister Surapong added that both Thai and Malaysian authorities concerned expedite their cooperation and clear all pending issues for reporting to the Fifth Annual Consultation in 2014. These included the signing of the Agreement on Border Crossing between Thailand and Malaysia, the conclusion of the MOU on Combating Human Trafficking and the prioritization of the construction of the two bridges crossing Golok River at Sungai Golok - Rantau Panjang and Tak Bai-Pengkalan Kubor.

Lastly, the then Deputy Prime Minister and Foreign Minister Surapong concluded that relations between Thailand and Malaysia are growing from strength to strength. He also believes that with goodwill and strong political commitment, the two countries can together advance their ties and cooperation further for the mutual benefit of the two countries and their peoples.

### **The Joint Development Area (JDA) Plan between Thailand and Malaysia**

The Malaysia- Thailand Joint Area (JDA) plan is one of the first applications of the joint development a memorandum of understanding on 21 February 1979 in Chiang Mai, Thailand for the establishment of the joint development area and authority to administer the area. This was followed by an agreement to constitute the joint development authority on 30 May 1990 in Kuala Lumpur, Malaysia. Twenty two gas fields have been declared in the JDA. As of the end of 2007, approximately 8.5 trillion standard cubic feet of proved and probable gas reserves have been discovered.

### **The Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT)**

The IMT-GT is a growth region drawing upon strong economic complementarities, geographical proximity, and close historical, cultural and linguistic ties. Sub regional cooperation under IMT-GT is an initiative by the governments of the IMT countries to accelerate economic development in less developed provinces. It began in 1993, and has since grown to include 32 provinces and states, with population exceeding 70 million.

The IMT-GT consists of:

- 14 provinces in southern Thailand: Krabi, Nakhon Si Thammarat, Narathiwat, Pattani, Phattalung, Satun, Songkhla, Trang, Yala, Chumphon, Ranong, Surat Thani, Phang Nga, Phuket;

- 8 northern states of Peninsular Malaysia: Kedah, Kelantan, Melaka, Negeri Sembilan, Penang, Perak, Perlis and Selangor;
- 10 provinces of Sumatra, Indonesia: Aceh, Bangka-Belitung, Bengkulu, Jambi, Lampung, North Sumatra, Riau, Riau Islands, South Sumatra, and West Sumatra.

Southern Thailand and Northern Malaysia share a land border, which are separated from Sumatra only by the narrow Straits of Malacca.

### **Trade and Investment**

Thailand and Malaysia have a strong economic relation in term of trade and investment. Both countries are doing business on mutual benefits over many years in number of areas. Recently, Thailand and Malaysia have agreed to foster cooperation on trade and investment in six sectors and both countries agreed that the two countries would promote more cross-border trade as it was a major trading channel. The six sectors where Thailand urged Malaysian investors to conduct more border trade are oil and gas, energy, rubber, automobiles, sugar and rice, and tourism.

According to the Commerce Ministry of Thailand, Malaysia is Thailand's largest trading partner in ASEAN, and the fourth-largest overall. Bilateral trade has grown by an average of 10.54 per cent annually during the past five years.

In 2012, two-way trade was worth \$26.5 billion. In the first half of 2013, trade was up 1.59 per cent to \$13.04 billion. Thailand locked in a trade deficit of \$294.23 million. Value of cross-border trade between Thailand and Malaysia accounted for US\$16.5 billion (Bt500 billion) out of the total \$26.5-billion seen in 2012.

There are more than 400 Malaysian companies had a strong presence in Thailand and presence of big Thai companies such as Charoen Pokphand Foods, Siam Cement Group, Loxley and large hospital chains create balanced trade and investment between the two countries.

There is big difference in the amount of investment each country makes in the other. Major areas of investment involved agriculture-based industries, transport equipment, automotive components, textiles, electronic and plastic products, finance and communication.

In the last week of August 2013, Deputy Prime Minister of Malaysia, Tan Sri Muhyiddin Yassin visited Thailand and he said many Thai entrepreneurs voiced their interest to invest in Malaysia, while Bangkok had also pledged to liberalise its banking sector to allow financial institutions from Malaysia to expand operations in Thailand.

He also urged Malaysian companies to explore the possibility of taking part in several massive infrastructure projects involving train services, highways, and ports valued up to US\$ 60 billion to take place in the next seven years. He said both governments had also agreed that the halal market was one of the sectors in which the public and private sectors of both countries and industry players from Malaysia and Thailand should pursue many untapped business opportunities for trade, investments and mergers.

### **Malaysia and Thailand Business Council**

The first meeting of a joint business council was held in Kuala Lumpur on August 24, 2013 and vowed to strengthen partnerships between Thailand and Malaysia with the aim of doubling bilateral trade by 2015.

Megat Mizan Nicholas Denney, co-chairman of the Malaysia-Thailand Business Council, said the first priority is improving the value of trade and investment between the countries and Malaysian entrepreneurs are encouraged to venture into the Thai market to promote the halal industry, leveraging on Thailand's strong food manufacturing industry to provide halal distribution services.

For the food industry, Thailand has more efficiency in skills and materials with producers such as Charoen Pokphand Foods," said Mr Denney He said boosting bilateral trade will also driven Thai investments in Malaysia. Last year, foreign direct investment in Malaysia fell 13.3% year-on-year to \$343 million.

Thailand Ambassador to Malaysia Krit Kraichitti said trans-border activity between both countries increase, especially in the automobile and agriculture sectors. Meanwhile, he said the business center was set up to facilitate Thai entrepreneurs who wish to operate a business in Malaysia.

TMBC chairman Surong Bulakul said Thailand has asked the Malaysian government to ease regulations that mean buses and trucks must be parked at the border so that goods can be transported by Malaysian vehicles. The two sides agreed to push forward cross-border trade and logistics under the ASEAN Logistics Connectivity framework by removing barriers to goods transportation, he said.

Tata Motors, India's biggest car maker, is to export its pickup trucks from its Thai assembly plant to Malaysia, aiming to ship 500 units. Tata Motors (Thailand) company has appointed Malaysian partner DRB-Hicom Bhd as its authorised distributor. Six models of the Tata Xenon, powered by diesel and compressed natural gas engines, will be exported to Malaysia. For fiscal 2012 ended March 31, the Thai unit reported sales of 4,597 vehicles, a slight increased from 4586 in 2011.

## **Malaysia- Thailand Border Economic Activity**

Malaysia has bold plans to set up business and logistics centres on the border with southern Thailand, just across from Songkhla province, and they have in direct competition with lagging Thai development in the southern region.

Kedah state authorities have unveiled plans for a duty-free complex at Bukit Kayu Hitam, just over the border from Sadao district in Songkhla, hoping to lure Thais across the border to spend money there. The proposed hub would import products and materials from Thailand to produce halal foods certified by Malaysia to sell to Malaysian consumers and export to other countries. It would also distribute Thai and local products to the domestic market and sell Malaysian products to Thailand.

"We are studying it now. I can see that these activities will turn northern Kedah into a fast-paced growth area in sectors that are different from those in southern Kedah," Mr Mahathir said. The southern part of the state is being developed as a recreation area, mainly to serve local tourists from Penang state.

Somporn Siriporananon, chairman of the Songkhla Chamber of Commerce, said that Malaysia is aggressively developing its northern border with Thailand and looking to reap the benefits. The plan for value-added halal food using products imported from Thailand was a clear example, he noted.

The Halal project in Kedah follows a similar project, importing para (rubber tree) wood from Thailand and then adding value to export the products to third countries, the Songkhla trade chairman said.

Para wood is a key export from Songkhla to Malaysia, mainly through the Sadao border. Other main frontier crossings in the province are the checkpoint in Padang Besar in Sadao district and the

checkpoint at Ban Prakob in Na Thawee district. Exports include machinery and spare parts and rubber gloves. Total trade between the southern province and Malaysia in 2012 was 486 million baht.

### **Cooperation in Tourism Sector**

Malaysia and Thailand strengthens tourism cooperation for mutual prosperity. The Malaysian Association of Tour & Travel Agents (MATTA) and the Thai Travel Agents Association (TTAA) signed a Memorandum of Understanding (MoU) pledging enhanced joint cooperation and development of tourism in both countries on September 14, 2013 in Kuala Lumpur.

Under the terms of the MoU, both MATTA and TTAA pledged to further strengthen joint cooperation in the development of tourism including participation in travel marts, exhibitions and other relevant tourism events. TTAA has played an important role in promoting tourism and joint cooperation between Thailand and Malaysia for over 20 years. In 2012, ASEAN tourist arrivals to Malaysia amounted to 18,809,736 tourists, of which 1,263,024 were Thai tourists. Under this MoU the new tourist development will be located in Bukit Kayu Hitam, Kedah, which is opposite the Sadao checkpoint, the primary land link between the two countries at Ban Dan Nok in Sadao district of Songkhla province and the northern Malaysian state.

Bukit Kayu Hitam currently has a duty-free shopping centre operated by Quintmas Sdn Bhd, but the Northern Corridor Implementation Authority (NCIA) of Malaysia plans to add more attractions to the 283 hectare (2.83 square kilometre) site near Changlun town, the government's Bernama news agency reported.

According to Mohd Johari Baharun, special advisor to the Malaysian prime minister, the project will attract Thais across the border to spend money in Malaysia, and will create jobs for locals.

Around 1.33 million Malaysians came to Thailand in the first half of 2014, a 14% increase from the same period in 2012, according to the Thai Tourism Department. In 2012, 2.5 million visitors from Malaysia travelled to Thailand, a 2.17% rise year-on-year, the department said. But only 1.26 million Thais went in the other direction, a 12.4% drop, according to Tourism Malaysia and the Malaysian Immigration Department. Most Malaysians visited Thailand through the Sa Dao checkpoint to Hat Yai city in Songkhla. Other popular destinations for tourists from the country include Phuket and Bangkok. The timetable for the completion of the new development at Bukit Kayu Hitam has not been unveiled, but the work will be contracted out to the private sector. Bukit Kayu Hitam is at the northern tip of the North-South Expressway of Malaysia which links the border with Thailand to Singapore at Johor Bahru in Johor state.

## **People to People Economic Cooperation**

### ***Thai Workforce in Malaysia***

Betong district is 150 kilometers far from the city of Yala in the Deep South. It is well connected to the city of Pengkalun Hulu of Perak State and Baling of Kedah State of Malaysia. There are 50 per cent Malay Muslim, 30 percent are Thai Chinese, and 20 percent are Thai Buddhist in Betong district.

In the past, district Betong of Yala province, Pengkalun Hulu of Perak state, and district Baling of Malaysia are in geographically come in the area of Thailand. At the time of British, the district of Baling and Pengkalun Hulu sub-district come in the area of Thailand but later transfer to Malaysia. The people from these two districts are living in different areas but their ways of life and cultures are remain common. The relations between the people of two countries are so close because of custom and tradition of Malaysia is similar to the deep south of Thailand. This kind of affections encourages them to visit to each other usually.

Most of the people from Thailand and Malaysia use the border pass while they cross the border. This process of border pass has been using since the colonial days. The authority of Thailand has made an agreement with the Malaysian authority that the people of both countries can visit normally in connected provinces with the border pass as a document of travelling.

Under this agreement the people of border areas regularly visit to their relatives of both Muslims and Buddhists and it is continuously developed in the form of travelling for working in Malaysia by the requests of relatives. There are Thai workers who go to Malaysia with the border passes but they do not get permission from Malaysian government to work longer but just for working with relatives for a short term. This kind of practice is general phenomenon among the people of both sides.

Since time of past to up to now, Thai workers especially Muslims from five provinces of south Thailand have been working in Malaysia in a large number and there are some may do their works illegally. Majority of them search their works themselves or may go along with their relatives or by the suggestions of friends.

Most of Thai labors are engaged in building construction, selling food, cooking food, transportation and agricultural allied works especially in cutting rubber. For the work of cutting, Malaysian is not preferred so they hire Thai workers for this task so that many Thai workers are engaged in this work. Many Thais visit to Malaysia when they are free from growing rice in Thailand.

Thai workers, who are working in Malaysia, stay with the employers or with monthly rent with relatives and it is all depend on the nature of visa they got. Many of them from five provinces of south go in the morning and come in the evening and at the same time people from other provinces of

Thailand, they travel to Malaysia from morning to evening but stay in the city of Betong, Yala in the rental houses.

Those Thai workers, who are engaged in building construction, come mostly from northeast and registered their address in Betong but they are living on rental houses. Thai workers also engaged in selling foods in front of restaurants, in restaurants as chefs, agricultural works, in transportations like driving for hiring cars from Betong to Pengkalun Hulu or drive motorcycles from Betong border to Buket Berabet of Pengkalun Hulu.

There is no any problem to the custom officers for those who up down every day for works to both countries even they are not having visa to work in Malaysia. This kind of doing work is a general phenomenon for the people of border areas. However, these people must have a legal document while entering the border areas from the both sides.

### **Malaysian workforce in Betong in Thailand**

The people of two countries especially from Betong of Yala and Pengkalun Hulu of Perak live continuously like brother and sister because of geographical closeness, common religion, custom and tradition. Many Malaysians are married with Thai in Betong and earn income through open the restaurants and entertainment services for Malaysians tourists. Many of Malaysian workers up down every day to Betong for working at restaurants and sometimes they stay for 15 days because workers of Malaysia can use Bahasa Malaysia in order to give better service to Malaysian tourists.<sup>17</sup>

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<sup>17</sup> Interview with Arun Choynukul, former Thai officer at Betong Yala Province, Rusamilae Ballroom, C.S., Pattani Hotel , February 8, 2014

In the border between Thailand and Malaysia, we have seen many Malay and Thai citizen working together for trading, investment or even on education. Many Thai students from the border like to further their education in Malaysia in the University which situated near their house for example Universiti Utara of Kedah which situated near Songkla province of Thailand , University of Technology Malaysia (Universiti of Technology Malaysia – UTM) of Kelantan state which situated near Narathiwat. Salleh Yusof a Thai citizen who changed his nationality to be Malaysian , said that

When I was 25 years old I got marriage with Malaysian women from Jeli of Kelantan state which bordering Thailand at Buketa of Weang district, Narathiwat. Since then his life and his family always engage with Thai people in many ways especially in business. Out of shipping work which is his main occupation and he also orders many goods from Thailand to sale in Malaysia for example a blanket like Toto, Narita or Greentex. For him in doing business with Thai has no problem financially. He also imports rubber and raw rubber from Malaysia with the support of Thai Rubber Supportation Agency.

Moreover, many Thai traders especially from Deep South send many kinds of their fruits to Malaysia in the large amount. His role as a middle man for Thailand-Malaysia relation is quite successful. He starts his work in Malaysia as an officer in Thai-Malaysia Development Office. After marriage he set up his own company and he mainly does business on the border of Thailand – Malaysia and Thailand as a whole like purchasing building construction instruments from Weang district, Narathiwat. He mentioned that a gum from Thailand is in good quality and the material for making the roof from Thailand also quite strong.

There are few Thai lecturers who taught in agricultural subjects at University of Malaysia, Kelantan. Most of Them came from the Deep South. In doing business with Thai people he also gets support from the Malaysian government.

He sometimes goes to purchase rubber far away up to Laos and Cambodia. The difficulty he faces while doing business with Thai is about some rules and regulations in the Thai side that are quite strict. Moreover, the regular changing of Thai government also indirectly effects on his business.<sup>18</sup>

The relationship on the border area in term of marriage also widely happens for many Malaysian officers or many Malay in general from all walks of life. In the border, we found that in each and every border between Thailand and Malaysia the marriage has taken place and mostly Thai women will stay in Malaysia along with her husband except some of them who have their own house in Thailand.

Mohd Razi Bin Sulaiman, former police officer who used to work in the Malaysian consulate Songkla met Amnuay Nuraks his wife at Songkla and later got marriage. Amnuay belongs to Nakorn Sri Thammarat from Upper South of Thailand. Mohd Razi works in Thailand from the year 1991-1992 and met Amnuay after working at the Malaysian Consulate; he shifted to work at Singapore. He himself has family ties with Thai Muslim at Weang District, Narathiwat from mother side and often visited his Thai relatives in many occasions such as marriage, festival or religious activities, and his relative (second cousin) from Thailand also pay visit to him and his family. Therefore, the family relationship between border of Thailand and Malaysia is still very strong.<sup>19</sup>

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<sup>18</sup> Interview with Salleh Yusof the owner of Cindaisy Inter Connect Logistic LTD. January , 2015 at Tanahmarah, Kalantan, Malaysia , January 25, 2015

<sup>19</sup> Interview Mohd Razi CIMB Consultant (CIMB Group) Kota Bahru, Kalantan, Malaysia, January 26, 2015

Amnuay Nuraks wife of Mohd Razi who lives with him at Kota Bahru said that being a fashion designer from Thailand her work has been accepted by many customers in Malaysia from all walks of life. Malay women like Thai food and the design made by Thai woman. and coming to shopping in Thailand are the most favorite for them. When she converted to Islam; she received a new name that is Nurida Binti Abdullah as an Arabic name that at least a Muslim prefers to use. After marriage her relationship with her family which is Buddhist family remains the same. Her family likes to come to Malaysia and visited her family. Amnuay or Nurida completed her education from Songkla Poly Technic at Songkla but she learned the art of designer from her husband's sister and later on developed into her own style. She said that the Sultan of Kalantan has given a lot of attention towards *muallaf* or those who converted to Islam.

The Majlis Ugama Islam Kalantan (MIAK) will arrange Islamic Teaching from 9 o'clock upto 12 o'clock and break with snack at 10 o'clock. There are 200-300 *muallaf* in Kota Bharu, Kalantan state and each of those who come to learn about Islam will receive 30 Malaysian Ringgit or equal to 300 Thai Baht. This money which given by MIAK is for coming and going to the office of MIAK. However, for Amnuay or Nurida one thing which she felt very sorry is about her friends who married with Malaysian and whenever their husband passed away then the families of their husbands do not accept them. Although they have children but the parents of their husbands remain indifferent. The parents of their husbands would prefer that they come back to Thailand and many of them face a difficult life after the death of their husbands.

For her, she has one child only and having her own house and she feels very happy with her husband's family. She also delights with her child who now can speak Thai, Bahasa Malaysia and Chinese.<sup>20</sup>

She feels very happy that Sultan of Kalantan and his son have given a lot of help by inviting them to his palace. Tuanku Faris the son of Sultan will give some amount of money directly to them. Every year the *muallaf* will receive *zakat* or religious tax 7-8 thousand Baht (800 Malaysian ringgit) every year. Moreover He invites them to *Iftar* Party or breaking fast in the month of Ramdon at Istana Palace. For Azra Fiza Ahmad a 25 years old student from University of Malaysia Terengganu Malaysia<sup>21</sup> She has less chance to meet Thai people coming to Terengganu which situated next to Kota Bharu Kalantan state a border with Deep South of Thailand. However from her perspective Thai people has a very soft culture and if possible she likes to work with Thai people and has very passionate towards Thai people<sup>22</sup>

While Safik Bin Abdullah a water coconut trader who sale his goods at Pitronas Oil Company has mention about Thai people that Thai people continuously come to Terengganu but still in less number. He himself never visits Thailand. He uses to bring goods like Blanket from Thailand to sale at Merang Terengganu. Whatever he wants to purchase from Thailand and sale it out to Malaysia also includes pots and other small items and would like to do business with Thai people.<sup>23</sup>

### **Security Relations**

The recent unrest and turmoil in the southern Thai states of Pattani, Yala and Narathiwat, escalating since January 2004, has put a damper on Thai-Malaysian relations, While Malaysia's official

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<sup>20</sup> Interview Amnuary Nuraks A thai Designer , Kota Bharu, 26 January, 2015

<sup>21</sup> Interview with Azra Fiza Ahmad a student of University of Malaysia Terengganu Malaysia , January 26, 2015

<sup>23</sup> Interview Safik Bin Abdullah , A water coconut trader, Kaula Terringnu, Malaysia, January 25, 2015

stand on the issue is non-interference considering the matter is Thailand's domestic problem, numerous events and exchanges between the leaders of the countries have created tension.<sup>24</sup>

Both the Thai and Malaysian governments have had to deal with the problematic issue of dual citizenship. Allegations of southern Thai Muslims holding both Thai and Malaysian citizenship has been cited as one of the problem in identifying and arresting persons involved in the southern conflict.

There is a tendency among suspected insurgents to cross over the border asserting Malaysian citizenship in order to avoid arrest by the Thai authorities. Malaysia's open admission of the existence of the problem of dual citizenship and its subsequent stand to cooperate with Thai authorities in addressing the issue is indeed a positive development in Thai-Malaysian bilateral relations.

In terms of security cooperation, the Regional Border Committee Office (RBCO), based in Songkhla and staffed by members of the armed and police forces of both countries was set up. The aim of RBCO is to work together to counter security threats to the respective nations as well as to share intelligence on the situation along the borders of both countries. On the Thai side, the Southern Border Provinces Administrative Centre (SBPAC) was set up in 1989 by the then PM Prem Tinasulanond. The SBPAC was intended to act as a crisis management institution, and to some extent has been instrumental in maintaining peace in the southern Thailand areas.

Both parties generally adopt negotiation and informal diplomatic strategies to overcome problem or strained relations due to certain events or incidents. The incident in Sept 2005 in which 131 Thai Muslims fled across the southern Thai border seeking refuge in Malaysia's northern state of Kelantan is a case in point. Although initially refusing to return these "asylum seekers", stating that the 131 people were refugees on Malaysian territory, Kuala Lumpur eventually sought the help of the UNHCR (United Nations High Commission of Refugees) to help in mediating and resolving the issue.

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<sup>24</sup> Mala Rajo Sathian, **Thai-Malaysian Relation Celebrating 50 years of Friendship and Alliance**, *op.cit.*, p.140

The events of 2004-2007 have prompted a phase of renewed understanding and greater cooperation among the Thai and Malaysian governments. Both are committed to maintaining peace considering the prevailing threat of separatist movements on transnational crime and the larger global terror network.

In the spirit of good neighborliness and the ASEAN Way, Malaysia for instance, offered to train Thai youths from the south in vocational training. In reciprocation, Thailand has shown keen interest in seeking Malaysia's help to mediate between the Thai government and the southern separatists. These developments have accelerated cooperation within the framework of security as well as the economic JDA.

The spirit of alliance and friendship in ensuring peaceful co-existence among neighbors demonstrated by both the Thai and Malaysian governments is one of the salient aspects in Thai-Malaysian relations over the past 50 years, if not longer.<sup>25</sup>

It is thus not surprising that Thailand was one of the first countries to establish diplomatic relations with newly independent Malaysia on 31 August 1957. Through the years, the relations between the two countries have been warm and cordial, guided by common aspirations and shared interests of living together in peace and harmony. This closeness in our relations manifests itself in the numerous exchanges of high-level visits between the two countries, from members of the two families to Prime Ministers and other members of the cabinet.<sup>26</sup>

While security has been the prime concern in Thai-Malaysian relations, there are other aspects of cooperation as well. These include economic cooperation and various aspects of functional cooperation namely in the areas of environment, health and education. However, the latter appear

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<sup>25</sup> Message from Nitya Pibunsonggram, Fomer Minister of Foreign Affairs of the Kingdom of Thailand, **Rajaphrueh Bunga Raja** , p.10

<sup>26</sup> *Ibid*, p.141

Message from Nitya Pibunsonggram, Fomer Minister of Foreign Affairs of the Kingdom of Thailand, **Rajaphrueh Bunga Raja** , p.10

secondary compared to co-operation in the field of security. Both the Thai and Malaysian governments' primary concerns for the last 50 years, and in the next few decades, is in maintaining geopolitical security, both terrestrial and maritime.<sup>27</sup> However for Malaysia the concept of Ummah (Muslim community) is a significant point in shaping the direction of Malaysia foreign policy with respect to both Muslim majority and minority relations.

Ultimately, Bangkok has to come up with a comprehensive plan that meets the aspirations of the Thai Muslims. This would necessary to encompass the areas of politics, economics, and religion, educational, social and national integration.

Malaysia has offered to help, but been rebuffed, with some segments of the Thai leadership regarding such offers as interference in Thailand's internal affairs this should not be the case. Kuala Lumpur is sincere in offering its experiences in dealing with extremism and Bangkok can gain much from the Malaysian experience. It is not in the interest of Malaysia to see the situation in southern Thailand get out of hand and degenerate into a cycle of violence or worse.<sup>28</sup> Malay people are more aware on various aspects about Thailand than Thai people are. As far as dual nationality is concern it is more concern with economic rather than a separatist movement.

## Conclusion

The relations between Malaysia and Thailand are bright due to engagement in different areas of cooperation since many decades and foreseeable prospects of relations are also good between the two countries. In recent past the bilateral relations is more comprehensive through the bilateral trade agreement and frequent consultations and close cooperation on security, economic and social areas

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<sup>27</sup> Mala Rajo Sathian, **Thai-Malaysian Relation Celebrating 50 years of Friendship and Alliance**, *op.cit.*, p.140

<sup>28</sup> Wong Sulong, *Cross Border cooperation is Necessary* **The Nation** Feb 9, 2005 p.10A

and at the same, exchanges between people of both countries is encouraged especially between different groups such as youths, scholars, artists, bankers, manufactures and officials.

On the social front especially people to people relation is very good due to homogeneous culture language and religion are practiced between Thailand and Malaysia on the border area. They have a good record of relationship and sharing responsibility since past. The ties between the people of the two countries are so strong.

Southern Border Provinces Administration Centre (SBPAC) plays a very important role to bring unrest in Deep South into an area of peace for the people in southern part in Thailand. After establishment of SBPAC, the understanding of the people in the three southern border provinces which is Pattani, Yala, and Narathiwat, and four states communicate to the north of Malaysia, Kelantan, Terengganu, Perak, and Kedah state. There are mass media in term of Malayu radio station also given a healthy relation on the border areas among the people.

On the educational front there are numbers of students from the border area study to Malaysian universities and opted the subjects for studying like Islamic Studies, Science, Literature and Education. Most of the students who graduated from Malaysia work as a teacher in various educational institutions. Some may join University such as Prince of Songkla Narakin (Pattani) and some of them join *Pondok*. There are also Malaysian students studies at various educational levels in Thailand and some of them have come for a short course for a month or a semester.

Political relations between the two countries is dominated by goodwill and friendship but at the same time the relation has been complicated on the issue of Deep South unrest in Thailand but Malaysia does not want to get involved uninvited.

Economic relations between Thailand and Malaysia are very close through Thailand-Malaysia Joint Commission (JC), the Joint Development Area (JDA) and the Joint Development Strategy for border Areas (JDS). Relations and cooperation in all aspects enhance socio-economic activities as well as uplift the living standards of people in the border areas of two countries. Beyond the bilateral relations, Thailand and Malaysia continue to be close partners in promoting cooperation at the regional and global levels. As founding members of ASEAN, our two countries are natural allies in making an ASEAN Community progressive and people-oriented. Such close cooperation is found elsewhere, in the Indonesia-Malaysia-Thailand Growth Triangle, the Asia Cooperation Dialogue or the Asia-Pacific Economic Cooperation. Malaysia and Thailand had had a strong economic relationship over the past 20 years. Malaysia is Thailand's second largest trading partner among the 10 ASEAN member countries last year while Thailand is Malaysia's fourth largest trading partner in ASEAN. Investment cross flows between the two countries are still low but there is tremendous potential for expansion. Thai-Malay Joint venture in Halal food and services bring new opportunities to export products and services to the Middle East, while JVs in service sectors such as finance, banking and tourism would focus on ASEAN countries, particularly Burma, which has now opened up to overseas investors.

Thailand- Malaysia economic cooperation have matured and moving towards the prosperity of countries with joint exercises at regional, government and individual level. Both countries enhanced their economic relations through the increased trade and investment in different sectors of economy especially on the border area. Both countries have immense potential resources and go together by sharing for mutual benefits.

In short term, the bilateral relations will be more comprehensive through the bilateral trade agreement and frequent consultations and close cooperation on different economic based aspects. In

the long term, more engagement is required at different levels. Malaysia- Thailand economic cooperation plays important role for the mutual prosperity as well as strengthen the ASEAN community.

There is tremendous involvement of people to people economic relations in terms of exchanging of workforce between Malaysia and Thailand. There are a lot of movement of goods and services on the border areas. There is a need and much scope to enhance bilateral relations at the people to people level.

One can conclude, the prospects are bright for the future's relationship between Thailand and Malaysia and overall the relations are quite cordial in nature and both sides are engaged at various levels for different areas of cooperation especially on border areas between two countries. At the same time, there is a concern challenge on political fronts especially on the matter of Deep South conflict.

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