Government Policies towards the Ethnic Chinese: A Comparison between Indonesia and Malaysia

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Both Indonesia and Malaysia are well-known examples of plural societies in the sense that more than one major ethnic (or racial) group lives side-by-side within a political unit but are not well integrated. These ethnic groups often perform different economic functions in their respective societies.

Pluralism in these countries is a result of their colonial experiences. It was during the colonial era that plural societies were formed. The Dutch and British encouraged the migration of ethnic Chinese (as well as the Indians, in the case of Malaysia) to develop their respective colonies. In both countries, Europeans were the rulers, the Chinese were in the middle, and the indigenous population occupied the lowest social stratum. The ethnic Chinese in both countries constituted the middle class and performed an important economic function. There were, and are many, poor Chinese in both countries, but as a group, the ethnic Chinese who are mainly from the urban areas are economically better off than their indigenous counterparts.

After political independence was achieved in Indonesia (1949) and in Malaya (1957), the colonial rulers were removed from the political scene and replaced by local leaders. The indigenous population was eager to climb up the economic ladder. However, they found the ethnic Chinese and ex-colonial masters (represented in multinational corporations [MNCs]) in their way. Nevertheless, it was easier to attack the Chinese economic strength than the MNCs which were less visible and had greater leverages. Not surprisingly, the assault was focussed on the ethnic Chinese rather than the ex-colonisers.

In addition, the indigenous leaders discovered that being multi-ethnic societies, the sense of nationhood among the population was rather weak and hence they saw the need to build new nations. Many felt that the ethnic Chinese were migrants who possessed alien cultures and wanted to integrate them into the host societies. In fact, the economic and cultural aspects constituted two major areas of the so-called Chinese problem in these countries.

The purpose of this paper is to analyse Indonesian and Malaysian government policies towards the ethnic Chinese with special reference to the citizenship, language, cultural, educational, economic and political issues. What are the goals of these policies and what are the responses of the ethnic Chinese? An evaluation will be given in the conclusion. The era covered in this study is contemporary. In the case of Indonesia,
the Suharto era (post-1965) is emphasized, while in the case of Malaysia, post-1969 is stressed.

The Chinese Communities in Indonesia and Malaysia

Before discussing government policies towards the Chinese, it is useful to give some background information about them in these two countries. In Indonesia, the ethnic Chinese constitute about 2.8 percent of the total population of 147 million. Culturally they are divided into locally-born Indonesian-speaking peranakans and foreign-born and local-born Chinese-speaking totoks. The former concentrate in Java while the latter are mostly found in the Outer Islands (i.e., outside Java). Legally speaking, both groups can be divided into Indonesian citizens and aliens, the number of citizens is larger than that of foreigners. Politically, they can be grouped into pro-Jakarta, pro-Peking, pro-Taipei groups, and those who are politically non-committal. But the majority appear to be politically passive. In terms of religion, they are either Buddhists, Confucianists, Christians, or Muslims, and some practise a mixture of folk religions. Economically, as a group, they are quite strong. Many indigenous Indonesian leaders believe that the Chinese monopolize the distributive sector and hence control the Indonesian economy.

In Malaysia, the Chinese are also economically better off compared to the indigenous population (i.e., the Malays). The economic strength of the Chinese there is more powerful than Chinese Indonesians, owing to their large number in proportion to the Malays. According to the 1980 census, the ethnic Chinese constituted about 33.36 percent of the Malaysian population (3,651,200), while the Malays formed 56.02 percent (6,131,600). Because of the different nature of the problem in Peninsular and East Malaysia, the discussion of this paper will be confined to only Peninsular Malaysia.

Culturally the Chinese in Malaysia are "more" Chinese. Although there is also a Malay-speaking group, known as the "baba" or "peranakan", their number is small. Due to racial polarization, these Chinese are being resinsized. The majority of the ethnic Chinese in Malaysia are Chinese-speaking, and are comparable to the totoks in Indonesia. In terms of religion, Chinese Malaysians are also heterogeneous — they are either Buddhists, Confucianists, Christians or believers of Chinese folk religion. Some are also Muslims but they are a small minority. Politically, they are divided into the Kuala Lumpur-oriented group, the foreign-oriented group, and those who are uncommitted. Wang Gungwu discerned three kinds of Chinese Malaysians in terms of the nature of their political participation, arguing that the local-oriented but culturally Chinese group is still the largest.

The existence of the culturally different and economically strong Chinese community in both countries presented a problem to the indigenous elite who came to power after the removal of their colonial masters. They were faced with the problem of nationbuilding and the sentiments of an urban indigenous population who were imbued with economic nationalism. To promote national integration and curb the feeling of economic nationalism, specific policies towards the ethnic Chinese were formulated. But due to the differences in history and size of the Chinese populations in these two countries, the policy the two governments adopted was bound to be dif-