

Belt and Road Initiative (BRI) Projects and Information Asymmetry:

Engagements with Local Communities in Malaysia

Benjamin YH Loh

Imran Shamsunahar

Jazreen Harith

Authors



Dr Benjamin YH Loh is a senior lecturer at the School of Media and Communication, Taylor's University. He is a media scholar who employs digital ethnography in studying emergent cultures and the digital public sphere. Having received his doctorate in communications and new media from the National University of Singapore, he focuses on the confluence between technology and society, with a particular focus on minority and marginalised communities. He co-edited a book on the recent Sabah state elections, *Sabah from the Ground: The 2020 Elections and the Politics of Survival* (ISEAS/SIRD 2021). His latest book, a co-edited volume with James Chin entitled, *New Media in the Margins: Lived Realities and Experiences from the Malaysian Peripheries* (Palgrave 2023) was published in early 2023.



Imran Shamsunahar is an Executive Researcher at IDEAS' Economics and Business Unit. He focuses mostly on political economy and international trade. He received his Bachelor's in History and Contemporary Asian Studies at the University of Toronto, as well as his Master's in Strategy and International Security from the University of Hull. He is also a freelance writer, having published pieces on the Asia Pacific in *Nikkei Asia*, the *South China Morning Post*, and *National Interest*. He's also been interviewed on Australia's ABC Radio National and quoted in *Benar News*.



Jazreen Harith is a Senior Research Executive at IDEAS' Economics and Business Unit, where he manages the Belt and Road Initiative Research Project. With a strong educational background in International Relations, he brings valuable insights to his research endeavours. Jazreen's expertise lies in coordinating stakeholder engagements with local communities and subject matter experts as part of his role in the project. His research interests encompass sustainable development for MSMEs and the fascinating realm of global K-Pop Diplomacy.

Reviewed By:

Dr Lee Chee Leong

Edited By:

Dr Juita Mohamad
Julia Merican

Table of Content

Authors	i
Table of Contents	ii
Executive Summary	1
Introduction	3
Literature Review	5
Malaysia's Engagement with the BRI: 2013 to Present	5
The BRI and Elite Legitimation	5
Issues and Controversies with Malaysia and BRI Implementation	6
Governance Gaps	6
The East Coast Rail Link	7
The Trans-Sabah Gas Pipeline	7
Chinese Information Operations in Malaysia: Resilience and Vulnerabilities	8
The BRI and People-to-People Diplomacy	8
Chinese Influence in Malaysia and the Dissemination of Chinese State Media Content	9
Methodology	11
Findings - BRI on the Ground in Malaysia	12
Lack of Information Operations	12
Limitations of Media Literacy in Rural Areas	12
BRI Engagement	13
High-level Engagement	13
Low-level Engagement	15
Underlying Issue: Megaprojects in Malaysia	16
Oblique, Top-down Project Structures	16
Lack of Grassroots Engagement and Local Concerns	17
The Importance of Grassroots Activism and Community Action	18
Development in Rural Communities	18
Having a Voice and Engaging with the State is an Effective Emancipatory Tool	19
Recommendations and Conclusion	20
References	22
Appendix A - Focus Group Discussion Participant Demographics	24

Executive Summary

In 2016, Malaysia joined the Belt and Road Initiative (BRI), a global scheme launched by China to provide financial, material and labour resources to develop infrastructure or improve inter/intra trade routes and connections in developing countries. The BRI began more than a decade ago but has since courted numerous controversies regarding its implementation, where certain countries were offered loan agreements widely considered one-sided (where on default could allow China to retake these development projects). As well, the rationale and necessity of these projects were often overestimated, resulting in projects that looked good on paper but not necessarily translated well on the ground in terms of execution..

Most BRI projects were signed under former Prime Minister Najib Razak and were believed to have been signed on to bail out troubled state sovereign fund the 1 Malaysia Development Berhad (1MDB). Reports suggest that project valuations and costs were inflated, with the excess funds diverted to 1MDB. When the Pakatan Harapan (PH) government took power in 2018, many of these projects were either renegotiated or cancelled altogether. Despite that setback, the current Malaysian government under Anwar Ibrahim has recently announced that it would be signing further BRI projects with China, assuring the public that it will not fall into the so-called “debt-trap” that has affected other countries which have signed onto the BRI as well. With such a big initiative, there were credible concerns that state governments would attempt to influence the public perception of BRI projects in Malaysia using information operations and cybertroopers. There has been evidence of such activity in other countries, and foreign-linked cybertroopers have been known to operate in Malaysia’s online spaces to influence political discussions.

This study, then, was formulated to study and examine these information operations to influence the public perception of BRI projects at the local level, in particular in more rural communities where access to information and media resources is limited. The study engaged in interviews with subject matter experts on Chinese state influences in Malaysia, combined with focus group discussions with rural communities who have been directly affected by BRI projects. The two states identified were Pahang and Sabah, with the aforementioned communities affected by the East Coast Rail Link (ECRL) project and the Trans-Sabah Gas Pipeline (TSGP).

Based on our findings, we found little to no presence of information operations in these local communities. From our experts, we learned that the BRI was not a major political issue that was pursued by both Malaysian political entities and Chinese state entities. In fact, the worrying aspect about these BRI projects is that they highlight deeper structural issues about the nature of megaprojects in Malaysia, in which said projects are often conceptualised, planned, financed and executed without any engagement with grassroots communities who will be affected by them.

Thus, our findings focused mainly on how these communities saw themselves within the context of these federal development projects. They were often frustrated that they were not engaged or contacted, and that they had no clear communication links to government bodies. Most stakeholders in these projects are often at the federal level, with these federal-level stakeholders often the only ones to interact with developers. Many federally-supported development projects are often announced first with budgets without any sort of community consultation or engagement and environmental or social impact assessments being conducted first.

Rural communities face a dilemma in making themselves heard as they are often ignored for development purposes. They worry that any form of protest or complaint could deter the government from future developments in their areas, which for the most part tend to be ignored by authorities. Some communities therefore take on a passive approach where they accept whatever is done and only complain if proper reimbursement is not provided, while others take a more aggressive approach by using local government channels to complain or engage in activism.

A clear divide was seen in terms of political agency. Some communities were not keen to be involved in consultation or see themselves as stakeholders in these projects; they just wanted to be informed directly by their elected representatives. Other minority communities across the country were far more engaged, vocal, and willing to fight for their interests. For instance, it was observed that the communities in Sabah were able to find ways to make their voices heard and to ensure that these developments would respect their land and community values.

Based on the findings, this report then makes some recommendations to address these inherent problems with federal project management in Malaysia. It suggests the following:

- Facilitate greater public engagement with development projects at more stages of development.
- Conduct feasibility studies (by independent parties) before a project is undertaken, and publish the findings to the public to ensure that the project has a good rationale and that there is a clear benefit to local communities and Malaysia as a whole.
- Introduce a Government Procurement Act to ensure more transparency in how the funding, tendering, and planning of the projects are done in a manner that can be assessed by independent third parties.
- Expand the scope of existing communication bodies, most notably the Community Communication Department (JKOM), to focus on creating an equitable and reliable platform for all Malaysians across the country to have a medium of communication to provide feedback about these projects.



Introduction

Ever since China launched the Belt and Road Initiative (BRI), an ambitious global programme aimed at linking China with new markets worldwide through a vast network of infrastructure projects spanning 125 countries, Malaysia has proven to be an enthusiastic recipient. Malaysia's embrace of the BRI is driven primarily by the country's elite politics, namely how elites define and defend their domestic legitimacy. This domestic legitimacy is primarily acquired through developmental-based and identity-based legitimacy (Hong and Guanie, 2018; Kuik, 2021).

This need to build domestic legitimacy in Malaysia can explain the Malaysian elites' pragmatic embrace of the BRI. Understanding the role of elite politics in determining how Malaysia engages with the BRI allows us to challenge traditional narratives surrounding the initiative, including the assumption that China is the most important factor when it comes to the outward investments of Chinese firms into other countries. Instead, we have to recognise the agency played by host countries when it comes to how they choose to engage with BRI-related capital (Kuik, 2021).

In our analysis of four BRI-related case studies in Malaysia that was undertaken under the BRI Monitor project, we identified several issues in relation to the projects, including concerns over project feasibility, environmental and social impacts, the limited degree of local contractor involvement, unfavourable loan terms, and a lack of transparency. These latter two concerns in particular would play a major role in Malaysia's historic 2018 general elections, featuring prominently in Malaysia's political discourse and becoming heavily tied to issues of corruption and sovereignty (Malhi, 2018; Lam 2020).

Two of the four projects we researched as part of the BRI Monitor, and which we will cover for this project, include the East Coast Rail Link (ECRL) and the Trans-Sabah Gas Pipeline (TSGP). The ECRL is a 665 km railway project that aims to connect both the East and West coasts of Malaysia. First announced in 2016, critics have since pointed to several gaps in governance in relation to the project, including

the non-competitive direct selection of the main project contractor; repeated changes to the project scope, and inadequate information concerning the feasibility studies (IDEAS, 2021). The TGSP, on the other hand, is a RM4.06 billion petrochemical and gas pipeline project in Sabah state. The project has attracted controversies ranging from the advance payments made to the Chinese contractor despite the lack of development on the ground, the project's alleged connections to the IMDB scandal, and the lack of feasibility studies and environmental impact assessments (EIA) (IDEAS, 2021).



While the BRI is often thought of exclusively as focused on infrastructure connectivity, it is actually a larger concept of international cooperation which includes people-to-people exchange, which can be considered another form of public diplomacy, defined as the cultivation by governments of public opinions in other countries for foreign policy purposes (Chow-Bing, 2019). China's strategy of people-to-people exchange to external parties often relies heavily on third parties or elite intermediaries to more effectively drive the convergence between its own narratives and those of its external parties (Schrader, 2020). Chinese scholars view people-to-people exchange as particularly useful when state-to-state relations encounter difficulties (Wang, 2019).

Chinese state media content reaches Malaysian audiences through a variety of mediums, including social media, Malaysian media and entertainment outlets, Malaysian elite networks, control over content distribution infrastructure, and Chinese academia (Han and Loh, 2022; Chow-Bing, 2022). Given recent political developments in Malaysia, the importance of people-to-people exchange for the future success of the BRI in Malaysia has only grown (Wang, 2019).

This project was conceived to understand how BRI narratives are understood by locals who are being directly impacted by these projects. Thus, we employed a multi-method approach to gathering data: first, by hosting a series of interviews with domain experts and secondly, by conducting a series of focus group discussions (FGD) in rural towns in Malaysia that have ongoing — or are earmarked for — development under the BRI.

What we found stood in stark contrast to what we expected, as there was minimal or no presence of any information operations regarding BRI projects at the local, and even state, levels. The lack of these operations revealed an even deeper problem that is affecting Malaysia's billion ringgit development space, which is a top-down centric approach that is oblique to the public and fails to engage with people at the grassroots. As such, our findings will provide some insights into the way megaprojects are deployed and executed, the problems that come with ignoring local concerns, and how grassroots activism is an important avenue to allow local voices to be heard. Our recommendations at the end will echo these sentiments to highlight the need for reforms in the way federal projects are planned, executed, and conducted to ensure that public consultation and engagement is made a firm part of the process.

Literature Review

Malaysia's Engagement with the BRI: 2013 to Present

Many of the BRI projects currently located in Malaysia have largely taken the form of big-ticket, state-to-state initiatives, often executed through joint ventures between Chinese and Malaysian state-owned companies (Hong and Guanle, 2018). According to the China Global Investment Tracker, a comprehensive public data set developed by the Heritage Foundation and the American Enterprise Institute which covers China's global investment and construction projects, total BRI-related investments and construction projects in Malaysia between 2013 and 2022 totalled RM 138.42 billion (US\$30.01 billion) (China Global Investment Tracker, 2022).

Like many other newly-industrialised economies in the Asia-Pacific, Malaysia's rapid growth in the eighties and nineties was largely due to its relatively open stance to foreign trade and investment, which helped position the nation firmly within regional supply chains with key trade partners like Japan, the United States, and China. Over the last decade, China has emerged as an important economic partner, as demonstrated by the gradual increase in Malaysia's exports and imports to China from 2012 to 2021. Recent figures from the China International Import Expo (2022) demonstrate the growing importance of ASEAN as a key economic partner for China. In the first quarter of 2022 alone, China's trade with ASEAN amounted to an impressive RM 977.7 billion (US\$212 billion). This highlights the significant role that ASEAN plays in China's global trade network, accounting for 14.4% of total foreign trade value. This is a clear indication of the immense potential of the ASEAN-China economic partnership, which has provided numerous benefits for both sides in terms of increased trade flows, greater investment opportunities, and deeper regional integration (Chan, 2016).

The BRI and Elite Legitimation

As argued by Malaysian scholar Cheng-Chwee Kuik, Malaysia's embrace of the BRI is the widest in scope (ranging from rail construction to industrial parks and port cooperation to digital connectivity partnerships), the largest in *scale* (in financial terms), and probably the fastest in speed (from initiation to negotiation and implementation). This is despite the ongoing territorial dispute between Malaysia and China over territory in the South China Sea. Kuik (2021) notes an 'enduring persistence' in Malaysia's embrace of the BRI, notwithstanding recalibrations in Malaysia's engagement with Chinese capital due to the four changes in government between 2018 and 2022 (Kuik, 2021).

Trying to decipher the reasons for this 'persistent embrace' allows us to challenge some traditional assumptions surrounding the BRI, not just in Malaysia but across the world. This includes the assumption that China is the most important, if not the only variable, when it comes to the outward investment of Chinese firms under the BRI, instead of recognising the agency played by host countries when it comes to how they choose to engage with BRI-related capital (Kuik, 2021).

Malaysia's embrace of the BRI is primarily elite-driven, insofar as it allows Malaysia's elites to define and defend their domestic legitimacies through the practice of patronage. As argued by Kuik, patronage politics as provided by the BRI allows Malaysian elites to defend their legitimacy through two main avenues, namely that of development-based legitimacy (centering on providing economic growth and jobs), as well as identity-based legitimation (focusing on Malaysia's long-term policy of redistributing wealth to the country's ethnic Malay majority) (Kuik, 2021).

Another 2021 study looked at the relationship between patronage politics and domestic legitimacy through the prism of strongman politics under former prime minister Najib Tun Razak. The study argued that Najib leveraged upon the then-hegemonic power of Barisan Nasional as well as the ubiquitous presence of state-owned enterprises (SOEs) across the Malaysian economy to ensure that Chinese capital worked to generate economic rents, reward business allies, and dispense patronage through company directorships and subcontracts to Barisan Nasional party members in order to strengthen his own position. Ultimately, elite agency remains crucial in understanding how Malaysia engages with the BRI (Camba et al., 2021).

Another assumption frequently made in the literature surrounding the BRI is the near-singular focus on the geopolitical aspects of these projects. In an essay for the Foreign Policy Research Institute, Angus Lam (2020) points out that local conditions and unique cultural-historical dynamics must be taken into account when analysing the success or failures of the BRI across Southeast Asia. In the case of Malaysia, Lam points to local politics, specifically public anger over allegations of corruption and the misappropriation of funds, and notes that this affected the current status of many of these projects (Lam, 2020).

Indeed, as argued by scholar Amrita Malhi, the discourse surrounding China's BRI projects played a prominent role in Malaysia's historic fourteenth general election in 2018. Contrary to international media narratives about Malaysia 'pushing back' against China, public contestation over the BRI had a more domestic dimension. Malhi notes that Pakatan Harapan had used Barisan Nasional's connections to China to externalise voters' concerns about ethnic Chinese political power in Malaysia, transferring these concerns onto China instead. PH's campaign also connected Chinese projects with issues of debt and corruption, allowing Pakatan Harapan leader and former prime minister Mahathir Mohamed to portray the opposing Barisan Nasional coalition and its close relationship with China as key sources of sovereignty risk for Malaysia (Malhi, 2018).

Issues and Controversies with Malaysia and BRI Implementation

Governance Gaps

In the analysis conducted by IDEAS as part of the BRI Monitor project, several significant issues were identified in relation to the BRI case studies in Malaysia. These issues encompassed concerns regarding project feasibility, environmental and social impacts, limited local contractor involvement, unfavourable loan terms, and a lack of transparency. Among these concerns, we emphasised the latter two as crucial for comprehending the challenges associated with BRI projects in Malaysia. The lack of transparency was underscored due to its direct influence on other major concerns raised regarding these projects. Insufficient information and stakeholder engagement were found to underlie these concerns. Furthermore, the authors drew attention to the issue of unfavourable loan terms, as it emerged as one of the most politically contentious aspects of BRI projects in Malaysia, particularly during the 2018 general elections (Yusuf and Merican, 2022; Malhi, 2018).

IDEAS' assessment of the level of transparency of BRI projects in Malaysia was based on the Infrastructure Data Standards (IDS) for proactive disclosure developed by the Construction Sector Transparency Initiative (CoST). The standard requires the disclosure of 38 data points in five key stages of the infrastructure project cycle: identification, preparation, procurement, implementation, and completion (Yusuf and Merican, 2022).

The East Coast Rail Link

The East Coast Rail Link (ECRL) stands out as one of the most notable and contentious projects associated with the BRI in Malaysia. Spanning a distance of 665 kilometres, this railway project aims to enhance connectivity between Malaysia's West and East coasts while presenting potential growth prospects for industries, commerce, and tourism along its route. The ECRL stretches from Kota Bharu in Kelantan on the eastern side to Port Klang in Selangor state on the western side, significantly reducing travel time between these regions to under four hours compared to the current seven-hour journey by road. Construction commenced with a groundbreaking ceremony held on August 9, 2017. As of March 2021, approximately 21.4% of the project has been completed, with the rail track expected to commence operations by 2027 (IDEAS, 2021).

Since its initial announcement in 2016, the ECRL project has encountered notable governance gaps and challenges. These include the non-competitive selection process for the main project contractor, which in this case is the China Communications Construction Company (CCCC). Furthermore, there have been multiple revisions regarding the project's scope, and authorities have not provided sufficient disclosure regarding the feasibility studies conducted. The project's total costs and route have undergone several renegotiations and alterations, reflecting Malaysia's unstable political landscape (IDEAS, 2021).

When the project was initially announced in 2016 by then-Prime Minister Najib Razak, it was estimated to cost RM55 billion. Subsequently, the cost was increased to RM65.5 billion in 2017. Allegations surfaced suggesting that the project's costs were inflated to facilitate the bailout of the troubled sovereign wealth fund, 1Malaysia Development Berhad (1MDB). Following the change in government in 2018, the Pakatan Harapan (PH) administration initially considered cancelling the project but ultimately opted to renegotiate it, reducing the cost to RM44 billion (IDEAS, 2021).

With another change in government, the new administration largely reverted the route back to the original plan in April 2021. Consequently, the cost estimate was revised once again to RM50 billion. These fluctuations and adjustments in both the cost and route highlight the complexities and uncertainties surrounding the ECRL project and its politicised nature in Malaysia (IDEAS, 2021).

The Trans-Sabah Gas Pipeline

The Trans-Sabah Gas Pipeline (TSGP) is a significant petrochemical and gas pipeline project with a budget of RM4.06 billion. Its primary objectives are to address the ongoing power shortage in Sabah, create job opportunities within the state, and enhance Sabah's position in the value chain. Although the TSGP is commonly associated with the BRI, there is no official confirmation of its BRI status (Yean, 2018, Grassi, 2020). The pipeline will stretch from the Kimanis oil and gas terminal to Sandakan and Tawau. Suria Strategic Energy Resources Sdn Bhd (SSER), a special-purpose vehicle established in 2016 under Malaysia's Ministry of Finance (MOF), serves as the project developer. The engineering, procurement, construction, and commissioning (EPCC) contract for the project was awarded to China Petroleum Pipeline Engineering Corporation (CPPE), a subsidiary of China National Petroleum Corporation (CNPC) (IDEAS, 2021).

The project quickly became infamous due to several significant issues. One of these issues involved advance payments made by SSER to contractors totaling RM8.3 billion, which accounted for 88% of the TSGP's total cost. Surprisingly, limited progress was observed on the ground despite the substantial

payments, which was further confirmed through our focus group discussion with the local community living in the areas around the Kimanis oil and gas station. Additionally, allegations emerged linking the project to the IMDB scandal. There were claims that the Najib administration utilised the project as a means of money laundering to repay IMDB-related debts by offering lucrative contracts to Chinese-affiliated developers (IDEAS, 2021).

Critics also highlighted the lack of publicly available feasibility studies or environmental impact assessments (EIAs) conducted for the project, raising concerns about transparency and accountability. In 2018, the Pakatan Harapan government terminated the project. However, in October 2021, the subsequent Perikatan Nasional government announced the revival of the project, stating that discussions had resumed between SSER, the finance ministry, and CPPE to finalise new terms and conditions. Since then, no further updates regarding the project have been released (IDEAS, 2021).

Chinese Information Operations in Malaysia: Resilience and Vulnerabilities

The BRI and People-to-People Diplomacy

While the BRI is often thought of exclusively as focused on infrastructure connectivity, it is actually a larger concept of international cooperation presented through the so-called “five connectivities”: policy coordination, infrastructure connection, trade facilitation, financial integration, and people-to-people exchange (also referred to as people-to-people diplomacy). As noted by scholar Ngeow Chow-Bing, people-to-people diplomacy can be thought of as another form of public diplomacy, focused on building trust and mutual understanding between Malaysia and China. This is particularly important given the global controversy and public resistance that the BRI has engendered worldwide, including in Malaysia (Ngeow, 2019).



Public diplomacy can be defined as the cultivation by governments of public opinions in other countries for foreign policy purposes. According to Chinese scholar Zhao Kejin, public diplomacy reflects a series of government’s efforts to ‘increase mutual understanding and exchange of different cultures’ to create a ‘positive image’ of the country (Zhao, 2007). China’s acts of public diplomacy in itself provide a key subset of its larger strategy of soft power, traditionally defined as the state’s ability to attract, to set standards, and to persuade (Ngeow, 2019).

People-to-people diplomacy is based on the belief that modern diplomacy goes beyond the traditional ambit of politicians and professional diplomats, and can involve so-called ‘citizens diplomats’ such as entrepreneurs, artists, writers, and intellectuals. As argued by Chinese scholars, with globalisation and technological advances connecting people and ideas at faster speeds, people-to-people exchanges are seen as increasingly instrumental. People-to-people diplomacy is ultimately about helping consolidate popular support for state-to-state relations in order to create a stable international environment for China’s domestic development. The policies of people-to-people exchange are formulated and regulated by the top levels of government, with communities like business enterprises, grassroots groups, universities, colleges, and other institutions then encouraged to play active roles in implementing said

policies (Liu, 2015; Wang, 2019).

In particular, China's people-to-people outreach to external parties often relies heavily on third parties or elite intermediaries to more effectively drive the convergence between its own narratives and those of its external parties. The Chinese Communist Party (CCP) generally prefers working with elite intermediaries whose relationship to the party is ambiguous or opaque in order to bolster the credibility of the narratives being put forth, as the CCP is cognisant that sources from state-owned media are generally distrusted by foreign audiences. Reliance on elite intermediaries also grants the CCP flexibility and plausible deniability (Schrader, 2020).

Chinese scholars view people-to-people exchange as a useful supplement when state-to-state relations encounter difficulties. As stressed by President of the Chinese People's Institute of Foreign Affairs (CPIFA), Wang Chao: 'the more difficulties countries encounter in their relations, the more important people-to-people diplomacy is as an anchor and relief valve to improve relations between governments, promote common prosperity and safeguard world peace' (Wang, 2019). As such, the co-opting of Malaysian elites in order to promote positive narratives of the BRI and its impact on Malaysia can be considered as part of the BRI's overall framework as envisioned under the 'five connectivities' (Schrader, 2020; Ngeow, 2019).

Chinese Influence in Malaysia and the Dissemination of Chinese State Media Content

Several studies have explored the extent of Chinese soft power within Malaysia. For instance, the China Index 2022 — an online database by the Taiwanese research organisation, DoubleThink Labs, that measures the extent of both Chinese hard and soft power in different countries worldwide — ranked Malaysia 10th out of 82 countries worldwide in terms of the extent of Chinese influence. The index measured said influence through the domains of higher education, domestic politics, economic ties, foreign policy, law enforcement, media, military cooperation, cultural links, and technology. Breaking down Chinese influence in Malaysia through the respective domains, the index found that China exerted the most influence in Law Enforcement and Technology at 81.8% and 56.8% respectively (percentages express the country's score out of the total achievable amount based on the indicators for each domain) (DoubleThink Labs, 2022).

When looking into Chinese influence in Malaysia through the domain of information operations, it is observed that the Chinese state disseminates state narratives to Malaysian audiences through various mediums and at a relatively high intensity. In Freedom House's Beijing's Global Media Influence 2022, which analyses the extent of Beijing's media influence efforts across 30 countries between 2019 and 2021, it was found that Malaysia scored 'High' regarding the intensity of CCP influence efforts. The country report for Malaysia noted that Chinese state narratives promoted in Malaysia tend to focus on rapport building, positive promotion of China and the CCP governance model, counternarratives to international criticism, defending China's interests in the South China Sea, downplaying reported abuses in Xinjiang, and promoting initiatives like the BRI as beneficial to both parties (Han and Loh, 2022).

Breaking down the key avenues through which Chinese state narratives are disseminated within Malaysia, studies have noted that Chinese state media content reaches Malaysian audiences through a variety of mediums (whether directly or filtered through local actors) as well as the three main languages spoken in Malaysia (English, Malay, and Chinese).

Figure 1: Mediums and Types of Content related to China in Malaysia

Mediums for Content Dissemination	Types of Content Released
Chinese Embassy	<ul style="list-style-type: none"> Op-eds by Chinese diplomats being published by Malaysian outlets Close rapport and coordination between Chinese Embassy and local journalists
Malaysian Media Outlets	<ul style="list-style-type: none"> Chinese state media content being republished by Malaysian media outlets Pro-Beijing slant by Malaysian Chinese-language media outlets Reported instances of censorship and intimidation of journalists publishing pieces critical of Beijing
Social Media	<ul style="list-style-type: none"> Social media activities by the Chinese Embassy and state media outlets Pro-China influencers targeting Malaysian audiences (primarily mainland Chinese influencers) Disinformation campaigns by Malaysia-based cyber troopers, with material provided from Chinese-language content farms
Malaysian Entertainment Outlets	<ul style="list-style-type: none"> Chinese state presence on television (e.g. programming by the Chinese state-owned broadcaster, CCTV, is accessible on Malaysia's local broadcaster, Astro)
Censorship	<ul style="list-style-type: none"> Reported instances of intimidation and pressure on journalists publishing pieces critical of Beijing Control over content distribution infrastructure through the presence of China-based companies in Malaysia's social media and mobile phone sectors (e.g. WeChat, TikTok, and Huawei)
Malaysian Elite Networks	<ul style="list-style-type: none"> Political support and echoing of Chinese talking points by Malaysia's political elites Party-to-party ties between the Malaysian Chinese Association (MCA) and CPP Participation of Chinese diplomats in MCA-supported events
State-Sponsored Visits to China	<ul style="list-style-type: none"> Subsidised trips to Xinjiang for Malaysian journalists
Academia	<ul style="list-style-type: none"> Confucius Institutes in Malaysia Xiamen University Malaysia

Sources: Han and Loh, 2022; Ngeow, 2022; Malhi, 2018

Given current political developments in Malaysia, the importance of people-to-people exchange for the future success of the BRI in Malaysia has arguably only grown. The changing political dynamics and ongoing maturation of Malaysian democracy since the fall of the Barisan Nasional government in May 2018 have recalibrated how Malaysia engages with the BRI. Returning to Cheng-Chwee Kuik's observations about the importance of development-based and identity-based legitimisation in how Malaysian elites engage with Chinese capital, these elites must now contend with the newfound power of democracy-based legitimisation, attributed to the public contestation that BRI projects have engendered within Malaysia due to the abovementioned controversies (Kuik, 2021). Mapping the future pathway of the BRI in Malaysia will thus depend more than ever on how successfully China can foster people-to-people exchange in order to build more public goodwill towards the BRI (Chang, 2019).

Methodology

Originally, this study was conceptualised to understand how BRI information operations or narratives are understood by locals who are directly affected by BRI projects in Malaysia. Thus, we employed a multi-method approach to gathering data: first to have a series of interviews with domain experts, and secondly to have a series of focus group discussions (FGDs) in rural towns in Malaysia that have ongoing — or are earmarked for — development work under the BRI.

For the expert interviews, the domain experts were selected based on their expertise on: the BRI in Malaysia, Malaysia-Chinese relations, Chinese information operations in Malaysia, and governmental engagement with BRI. Each interview lasted between 45-60 minutes and focused on gleaning their expertise on a specific issue that pertains to the BRI in some fashion. We interviewed three domain experts: E1 - an expert on Chinese-Malaysia relations who is currently affiliated with a local think tank; E2 - an expert on Chinese information operations in Malaysia who is currently affiliated with another local think tank; E3 - a politician who is familiar with BRI projects.

For the FGDs, we sought to speak to residents of rural communities who are directly affected by these projects and to see how information operations were targeted towards them. Thus, we identified two sites for study: a rural village in Pahang that is the development base for a station under the ECRL project and another village in Sabah that would have been affected by the TSGP project. We selected the ECRL project due to its contentious nature, which includes numerous financial revisions and environmental concerns associated with the construction of the tunnel. In contrast, there has been a notable absence of updates or transparency regarding the TSGP project. A report has revealed that 88% of the project cost has been paid off, despite the progress being at a mere 13%. Given the substantial financial investments in the TSGP, we believed it was of the utmost importance to conduct further research on the ground with key stakeholders through this FGD.

For each of these sites, we reached out to local village residents and community leaders together with other stakeholders such as activists, civil society organisations (CSOs), think tank representatives, and journalists. Based on our literature review, we attempted to reach out to local Chinese business and socio-cultural associations to recruit them for our FGDs, but our attempts to communicate were all ignored. From past experience, we have learnt that many of these organisations are often reluctant to speak to researchers about any issues that relate to China. We recognise that this is a limit on the comprehensiveness of this study, as these local Chinese organisations remain a black box and we can only infer their engagement through external interpretations and discussions.

We held two separate FGDs: one with community leaders from local villages and the other with CSO representatives and other stakeholders who were not from the villages affected. Each FGD consisted of between five to ten individuals and lasted one to two hours in length, where the discussion focused on their understanding of the BRI projects and their awareness of information operations regarding the project. The demographics for our FGD participants is available in Appendix A. The interviews and FGDs were transcribed and later used for a thematic analysis to find emergent and relevant themes to the topic of the BRI.

Findings - BRI on the Ground in Malaysia

Based on our analysis, we identified four key themes that emerged from our data. Firstly, there was a distinct lack of information operations (or even activities) surrounding BRI projects in Malaysia. Secondly, we noted that BRI engagement in general consists of stark differences between high-level engagement (such as federal engagements and national politics) versus low-level (grassroots and local stakeholders). From this, we moved into the next theme of the perennial issue with megaprojects and the many problems with how they are executed in this country. Finally, our last theme looked at the many heartening examples of Malaysian grassroots communities pushing back against these deeply problematic practices in relation to project management in Malaysia that could help make future development work more transparent and sustainable.

Lack of Information Operations

There is a distinct lack of information operations regarding BRI projects at the grassroots level, leaving local communities feeling largely uninformed and overlooked. Unless there are local elected representatives or CSOs with direct connections to federal government decision-makers, these communities receive minimal attention, and there is little to no effort made to inform, engage with, or consult them.

From our field trip to Sabah, surprisingly, even key stakeholders such as the local community leaders, CSOs, and journalists had no prior knowledge of the TSGP project. It appears that village heads themselves were unaware of the project's initiation, with no visible signs of work being done in the project's development location. When we approached these community leaders to participate in this study, they mistook the TSGP for a previous development known as the Petronas' Sabah-Sarawak Gas Pipeline, which has been operating since 2014.

From the experts interviewed, there did not appear to be any information operations regarding the BRI except during the 14th General Elections in 2018. As BRI projects were largely linked to the scandals surrounding IMDB, it became a key talking point amongst the opposition during the campaign. The experts agreed that misinformation regarding these links was quite prominent during that time, mainly with regard to the mislabelling of non-BRI projects as being BRI-linked. Even so, the focus was mostly on IMDB and not the BRI.

Nevertheless, while it is acknowledged that local media coverage of the BRI may exhibit a certain pro-Chinese bias, particularly among local Chinese media outlets, it is crucial to emphasise that the dissemination of information remains factually accurate, with no deliberate misinformation being employed.

Limitations of Media Literacy in Rural Areas

During the FGDs, it was observed that local village heads often failed to engage in thorough fact-checking of their news. They predominantly relied on local WhatsApp groups as a means to share news and information, while placing trust in both media sources and local leaders to verify the accuracy of the information. The issue of fake news did not appear to be a major concern among rural communities, as their primary focus revolved around local day-to-day affairs rather than broader political matters or national issues.

As local leaders, they often spoke about local villagers as being both unable to identify or verify misinformation or disinformation that was shared in local community Whatsapp groups. Despite that, they do consider national or local news media outlets as credible sources of information and legitimate sites for reliable news and information. Despite the limitations in fact-checking, local leaders indicated that they do advise their communities to check before sharing potentially false information.

However, we noticed a distinct difference in engagement when it came to local youths and activists. Unlike the other participants, they actively seek out multiple sources, cross-reference information, and employ more robust methods to verify news. This includes taking pause when presented with dubious information and checking on “reliable” and trustworthy accounts on social media like Twitter to verify. This was not a foolproof approach, as some participants noted that they considered “trustworthy” Twitter accounts to be accounts with a high number of followers, which highlights the flawed logic surrounding social media influence and fact-checking.

Nevertheless, despite several examples of information operations among the community, there is still a lack of adequate communication regarding federal projects. The limited avenues of public channels that can be used to engage the government on pertinent issues remain evident. Aside from conventional methods such as staging demonstrations, protests, or seeking an audience with the ministers, the average Malaysian faces challenges in voicing their concerns about developments that have a negative impact on them. There is generally a lack of accessible and inclusive platforms that facilitate meaningful dialogues and public participation in these federal projects.

According to an expert (referred to as E1) who worked with a local MP in a densely populated constituency, ‘GE14 provided one of the few opportunities for the public to express their anger over the projects through the ballot box. But besides that, Malaysians are not really vocal on the ground. For many, General Elections (GE) are seen as the only avenue for the public to express their opinions about who leads the country. This is somewhat reflected in the nature of government engagement with the community at various levels, which will be explored in the next section.

BRI Engagement

From our discussions with local communities impacted by the BRI, we found that there is a clear distinction between high-level discussions surrounding the BRI and its portrayal to the Malaysian public. The most obvious and visible gap lies in how high-level engagement is often done at the federal level through national policies and campaigns, while low-level engagement with communities at the grassroots is minimal and limited.

High-level Engagement

Understanding of the BRI amongst the general public remains unclear, especially at the grassroots level where the branding and specific details of BRI projects are missing entirely. Our expert interviews and focus group discussions revealed the difficulty participants faced in distinguishing the difference between BRI projects (particularly those beyond large-scale megaprojects) and projects initiated by Chinese private firms. Different experts had varying classifications of BRI projects, with some considering any project originating from China to be part of the BRI, while others specified BRI projects as those explicitly endorsed by the Chinese government.

Another aspect to consider regarding the impact of BRI projects extends beyond concerns of falling into a debt trap. While the Malaysian government has stressed that we are not in danger of falling into this debt trap, there is a general lack of transparency in how many of these BRI projects are financed, leaving Malaysians in the dark about their future impact on our economy. This lack of transparency is also observed in the obfuscation between Chinese companies and the Chinese government. Expert E2 claims that starting in 2018, China made efforts to exert greater control over its state-owned enterprises (SOEs) to minimise their involvement in projects that could pose environmental risks, among other issues. However, it is crucial to acknowledge the presence of numerous private Chinese enterprises that operate with limited oversight from the Chinese state. These entities directly engage with state governments in various ventures, such as gold mining in Kelantan and bauxite mining in Kedah.

It was further revealed that the MCA, the political party that purportedly represented the interests of Malaysian Chinese under the BN government, was involved in promoting the BRI. Expert E1 said that the MCA predominantly focused on highlighting its positive aspects while avoiding discussions about the potential drawbacks associated with these projects, such as concerns regarding governance and corruption. Although not directly engaged, there is a belief that the MCA maintains involvement in the process and strategically utilises these connections to their advantage. There were also allegations from some participants that prior to the official announcement of the ECRL project, a significant number of Chinese landowners, including those from Kuala Lumpur, had insider information and strategically purchased land along the proposed alignment, anticipating a surge in land value. Many of these individuals were considered to be closely associated with the MCA. A similar effect was observed in Sabah as one FGD participant noted that lucrative plots of land along the Pan Borneo highway were sold to Chinese nationals through proxy purchases. They posit that 'the proxies could be locals such as the Chinese chambers who drive investment from China'.

Local Chinese businesses and socio-cultural associations play a pivotal role in facilitating public engagement and are among the key entities advocating for the implementation of the BRI in Malaysia. Their significant influence allows them to actively promote and support BRI projects, serving as strong proponents and catalysts for their development and success. Expert E1 stated that 'Malaysia-China associations such as the Chambers of Commerce have done a lot in terms of public engagement. These associations will try to promote the BRI'. However, expert E2 argues that the role of Chambers of Commerce and other Chinese associations in facilitating intergovernmental relations have diminished since the pivotal first change in government in 2018. Since then, Chinese-linked entities engage directly with Malay politicians from the United Malays National Organisation (UMNO), the Malaysian United Indigenous Party (BERSATU), and the Malaysian Islamic Party (PAS) instead of through these associations.

There are prevalent stereotypes associated with China projects, often characterised by notions of secrecy, limited transparency, and a perceived absence of government oversight. An FGD participant believes that 'the ECRL is a typical "Chinese" project. Very exclusive and secretive, with little engagement with the local community'. Another perception is that these projects predominantly employ Chinese workers and primarily source materials from Chinese providers. A participant from the FGD argues that 'ECRL does not engage with the local community. Almost all construction material used in the project comes from China, with no economic benefit to the local community. China is providing all of the material and making Malaysia pay for it at their price'. Another example that was brought up was in regards to the construction sector, wherein a participant raised concerns about Chinese investors not hiring local workers and instead opting to employ foreign workers, despite the fact that Sabah has a significantly high unemployment rate. Due to a lack of local collaboration, expert E1 stated that this

has in turn affected the quality of the projects. The BRI is also viewed as taking work away from local contractors and developers while benefiting Chinese companies instead, in direct opposition to the project's proposed objective to increase job opportunities in Sabah (IDEAS, 2022).

Expert E1 noted that the only form of public promotion of the BRI from the Chinese government came from the Chinese ambassador on their Facebook page, with minimal engagement on other platforms or activities. Expert E2 highlights that the Chinese state prioritises the progress of the work being done rather than actively engaging in public outreach or communication. 'China is now trying to downplay the negative news affiliated with the BRI,' said expert E2. They highlighted that China is undergoing a shift in its narrative regarding the BRI due to concerns over stories of companies defaulting on loans and the potential loss of sovereignty or land ownership. As a result, China is redirecting its focus towards digital-based developments, under the Digital Silk Road initiative (Ngeow, 2021). According to the Council on Foreign Relations (2023), the Digital Silk Road initiative focuses more on technological advancements and has become a significant part of PRC's overall BRI strategy. The Expert E2 further noted that the BRI is no longer a PRC priority, as it has been subject to widespread negative perception, primarily due to numerous projects either failing to reach completion or being regarded as white elephants.

Low-level Engagement

At the grassroots level in Johor, according to expert E1, there was a significant level of engagement with the local community, and the respective Member of Parliament (MP) actively advocated for their interests. This was an exception to the experience from the rest of our participants and was only possible because the local MP was highly involved in these issues. Even so, the nature of this engagement still followed a top-down approach, focusing primarily on informing the local communities rather than including them in the consultation and decision-making process. He further shared that local community leaders are often dependent on MPs to act on their behalf. However, the same experience cannot be said for the ECRL. In Pahang, the local villagers who have a clear view of the ongoing development were not directly engaged with. They relied solely on politicians or news media to provide them with information and updates regarding the project. A participant stated that 'We see nothing now, only when it is complete. There is no consultation (with us). We have no idea where the (ECRL track) routes are and what lands will be affected'. The participants expressed their frustration at the lack of transparency regarding the ECRL. They believe that the engagement efforts are only initiated when the project directly affects specific landowners, while the rest of the community remains uninformed and excluded from the process. This was confirmed by another participant, whose land was acquired for development: they shared that a representative from the ECRL visited and purchased the land with only a small compensation grant.

Among all our participants, there was general consensus about one particular group that was the most engaged on matters of development projects: the Malaysian Chinese community. Expert E1 stated that 'their representatives through their local leaders are more advanced and proactive (compared to other ethnic communities)'. Comparisons were often drawn with Kuala Lumpur and Penang, where most anti-development initiatives and activism is advocated for by local Chinese communities. When asked if the Chinese communities were primed by CCP information operations to be more receptive to these BRI projects, expert E1 answered that 'not necessarily, as they naturally pay attention because it impacts their community'.

This is not to say that local Chinese communities are homogenous or are unified in the way that they approach these megaprojects. As we highlighted before, in rural areas certain Chinese associations with political links would have some benefits, and these associations were very reluctant to participate in our study when approached. Nevertheless, in terms of grassroots engagement, local Chinese communities seem to be most involved in trying to either benefit from these new developments (by strategically buying up lands or setting up businesses) or in trying to obtain more information (either through engaging with local politicians or via activism) on these projects to see how it can potentially have a negative impact on locals in the area.

Underlying Issue: Megaprojects in Malaysia

At this point in the project, we began to see a shift in focus for this study. While there was no indication that there were any major information operations to spread misinformation about BRI projects, there did not appear to be any effort to engage in communication with the general public about these projects at all. This lack of communication was pervasive and all-encompassing. As such, we refocused our research angle to understand the deeper problem in Malaysia: why, especially with federally mandated megaprojects, authorities in Malaysia felt that they did not need to engage with communities.

Oblique, Top-down Project Structures

Our research into the ECRL and the TSGP helped us to understand the top-heavy, oblique nature of project procurement in Malaysia, particularly with regards to megaprojects. Authorities generally see little reason to engage with local stakeholders prior to commencing these projects, particularly at the community level.

Indeed, when speaking to the local communities affected in Pahang and Sabah, it became clear to us that federal, state and even local authorities had failed to engage or regard local residents as stakeholders to be consulted prior to the commencement of these projects. Most residents we spoke to had a vague understanding of said projects, with little to no prior warning that the project had been initiated in their area. With little engagement, they are often left feeling frustrated and unaware of how these development projects will impact their communities. This lack of transparency also exists within government structures. From our conversation with expert E3, we found that even at the cabinet level there is often no clear sharing of information about the projects, with most vital information only known to the Prime Minister and the ministries involved (such as the Transportation Ministry with regards to the ECRL). The issue of limited public information was previously raised through the BRI Monitor, which includes other pertinent information such as project viability and social and economic impacts. The BRI Monitor's case studies and country reports also reported that information regarding the procurement process, the number of participating firms in tendering, and essential contract details such as awarded price and scope are not available (Yusuf and Merican, 2022).

Once these projects had commenced, most local community members were generally unsure about who they could approach for more information or to voice out their concerns. In the case of the TSGP, local councils were mostly unaware about specific details of the project. The main point of contact to check on projects for local residents in Sabah is their local district officer, who they find to be quite effective in communicating their needs and feedback. While effective for locals, this also serves to insulate ruling elites from issues on the ground.

Authorities also generally make little attempt to explain the economic rationale behind said projects. During our FGD in Pahang, one of the participants observed that the economic rationale behind ECRL was 'very dubious', as Malaysia already has roads and railways connecting the East and West coast. They also noted that potential cargo traffic would have little impact on their town, as the town is not a manufacturing or industrial hub, while the distance of the station from the town makes any potential gains from tourism also questionable.

A common complaint raised by the local communities we spoke to is that politicians have only engaged with them to discuss major issues (such as natural disasters resulting from development work) or once the project was completed and they could use it for their own political benefit. These engagements are generally done in a very detached manner and mostly in town centres rather than rural areas. In the case of Sabah, participants complained that local MPs and assemblymen (ADUNs) were generally self-serving and inaccessible, favouring developers and corporations over the local community. In other cases, even local MPs and ADUNs can be powerless to interfere or mediate with certain projects, especially in relation to those under the federal government's purview.

Ultimately, the Malaysian federal elites' lack of engagement with local communities and their general insulation from local issues on the ground means that most people at the grassroots level lack avenues to raise their concerns over the negative impact of large-scale projects. This can be attributed in part to many people in the government and civil service not being fully aware of the importance of consultation. This was certainly the conclusion raised by our expert E3, who argued that Malaysia must ultimately institutionalise these consultations within the system of government.

Lack of Grassroots Engagement and Local Concerns

This lack of engagement can be seen in the failure to carry out proper due diligence when it comes to preparing and carrying out these projects. Due diligence and feasibility studies are often only carried out as an afterthought, or when the local community lodges a complaint, with locals generally given little opportunity to provide their insights or feedback and the final report rarely being made public. In the case of Sabah, we were told that there is a general expectation that when megaprojects are announced, assessments will be done by surveyors sent by the developers. However, in the case of the TSGP, the developers bypassed state regulators when it came to impact assessments.

The failure to carry out feasibility studies or to make their results publicly available is particularly concerning when one considers that these projects often cause major environmental impacts. Indeed, these are issues that we previously identified in our BRI Monitor project, where it was observed that BRI-related projects in Malaysia generally lacked accompanying and publicly-available environmental and social impact assessments, despite their major environmental challenges (Yusuf and Merican, 2022). These are challenges that are inherent to broader project governance in Malaysia, beyond the BRI. The environmental issues associated with previous developments in Pahang and Sabah have taught the residents of both areas about the importance of carrying out due diligence before initiating projects. For the Pahang FGD participants, the Central Spine Road project is believed to have contributed to the massive flooding within the area recently, while in Sabah, the Kimanis Combined Cycle Gas Fired Power Plant has negatively affected locals, with no proper communication between them and the relevant authorities.

Beyond the environment, many projects can also bring long-term negative socio-economic impacts on local communities. In Pahang, the ECRL development has cut off residents from their farms without the provision of any proper workarounds or solutions. Local development projects have also impacted the local scenery, which is detrimental for an area heavily dependent on tourism. In Sabah, residents have claimed that many federal projects leave local communities in worse situations, draining local villagers and leaving them with lesser means to care for themselves. Projects are often stalled and altered due to the lack of consultation with certain parties (who lodge complaints later) as well as frequent changes in government. All of these are done without local involvement, and residents are forced to suffer throughout the development process. Sabah residents have also complained about the destruction of local cultures and practices, such as projects forcing villagers to move away from their ancestral lands.

During our conversation with expert E3, he noted that projects are often announced and given the green light before any sort of assessment study has been carried out, as people 'want to hear the big numbers first'. Indeed, he recalled that during his involvement, authorities would often spend more time on the costs of the ECRL project rather than looking at the environmental impact. Many analysts have pointed to the corrosive influence of corruption on public procurement in Malaysia, particularly when it comes to federal-run megaprojects. Expert E1 noted that corruption is 'rampant' when it comes to project procurement, and not just for BRI projects. It also impacts how authorities engage with locals — in the case of Pahang, residents informed us that compensations paid by developers to individual residents are generally made discreetly, with intermediaries often involved who get their own cut. Expert E1 stated that corruption at the top-level tends to be the most egregious, as it compromises everything all the way to the bottom. He called for the need for significant structural reforms in how infrastructure projects are managed.

The Importance of Grassroots Activism and Community Action

In spite of the many structural problems with federal megaprojects causing harm and inconvenience to local residents, these residents are not left without recourse. There are select opportunities for residents to make their voices heard, but there is usually some hesitancy in engaging in this manner. Once they overcome this, they often begin with grassroots activism that gives them more agency in engaging with federal developments and allows them to start being treated as legitimate stakeholders.

Development in Rural Communities

Despite the general lack of engagement between authorities and local communities when it comes to project procurement in Malaysia, as well as the significant environmental and socio-economic issues that they have brought to their respective areas, our discussions with the local residents of both Pahang and Sabah have revealed that many rural communities are not against development projects per se. Indeed, for many rural communities, mega or federal projects are often the only practical way in which they can see meaningful development in their areas. One resident we spoke to noted that whatever development they see in their area from the state or council level is often just focused on maintenance or making incremental upgrades to existing infrastructure.

Most residents we spoke to stressed that they wanted development projects in their areas, but that they also wanted to be consulted. Given the importance attached to these megaprojects with regards to improving the economic situations of their respective areas, locals in many rural areas are often

very cautious or reluctant to criticise them if they cause any issues. Given how little development has happened in their communities in the past, residents also discussed with us about the ways they can benefit from these new developments.

In Pahang, for instance, residents expressed hopes that the ECRL would bring in more tourism as well as raise land values, while others talked about setting up stalls along the roads leading to the stations. Their main concern is that they were not consulted during the project's planning and implementation stage, meaning they could not make plans or at least be aware of the negative impacts on their livelihoods.

From our research, we noted that Malay communities were generally less savvy when it came to responding to BRI projects. As expert E1 noted, there is little awareness of the BRI among the Malay communities who live near these projects. Indeed, expert E1 noted that the Chinese information operations that do actually take place in Malaysia rarely target the Malay community. We saw similar issues with our Malay Pahang participants, who expected to be approached as opposed to actively seeking out avenues to make their voices heard.

Having a Voice and Engaging with the State is an Effective Emancipatory Tool

Whatever political engagement takes place among the Malay community with regards to BRI projects tends to centre primarily around General Elections. Outside of that, there is generally very little interest in engaging with authorities and expressing their concerns. During our discussion with expert E3, he noted that his constituents rarely approached him to voice their displeasure about the ECRL project. He argued that in Malaysian culture, some people feel there is no need or no point in bringing their concerns to their local MP. Malaysians, he observed, are generally not assertive and seem to believe that it is their MP's job to fix local issues without any input or engagement from their constituents. For most of the Malay communities, they see little reason to engage the authorities unless it directly impacts them, and even so they expect their leaders to approach them directly. Some of his Malay constituents have openly expressed irritation at being asked to talk about problems, as they felt their political engagement is only required during general elections and it is entirely their elected MPs and ADUNs jobs to take care of their welfare without their involvement until the next election cycle.

We also found differing levels of engagement between the communities of West and East Malaysia. We found that the communities in Sabah were more proactive and would make demands from local authorities and force state and federal governments and developers to either provide compensation or to find solutions to their problems. Usually, village heads are satisfied as long as they are given advance notice. CSOs and local journalists in Sabah in particular are very active in engaging authorities when it comes to local megaprojects. The CSOs we spoke to stated that they seek to engage with various stakeholders (such as the local Chinese Chambers of Commerce) to ensure that they are included as part of the talks and discussions for these megaprojects. Local journalists were also active in giving local residents a voice.

Largely because of this tradition of activism, locals in Sabah tend to be more involved at various levels when it comes to many local development projects. As such, development projects in Sabah tend to be more inclusive of local concerns as compared to Pahang. Our research in Sabah found that there is a clear chain of information for all parties affected at all levels when it comes to any kind of infrastructure development. This includes communication, consultation, and offering compensation. One resident we spoke to stated that, typically, prior to the initiation of a project, the District Officer will engage in

discussions with the District Chief and the Community Development Leaders Unit. Subsequently, they will extend invitations to other representatives for consultation. On the other hand, we found that the residents of Pahang were more passive when it came to engaging with their leaders over local projects. Generally, they expect federal and state governments and developers to approach them to discuss these projects, rather than vice versa.

Recommendations and Conclusion

From where we began this study, the final findings have gone in a very different and unconventional direction. We intended to uncover the presence of strategies used by state-supported actors to influence public discourses on these megaprojects, but found that there was next to nothing on this. Essentially, there was no form of outreach to residents affected unless specific reimbursements was involved. Instead, we found even deeper issues that lurk beneath the many structures that supported Malaysia's development to become a higher middle-income country.

In speaking to locals from rural and peripheral communities who have had to endure decades of neglect from the federal government, the lack of communication surrounding BRI projects is a common occurrence whenever it comes to any major federal-backed project. These projects are often presented to the Malaysian public with much bluster, touting these new developments as yet another step in bringing Malaysia closer to becoming a developed nation, while creating more opportunities and progress for Malaysians outside of urban areas. They often come with billion ringgit price tags, and are presented in an oblique fashion without justification for the price, how it will be financed, and what the impacts on the environment, society and culture might be.

These gaps in communication and engagement have forced local communities to choose one of two paths: remaining silent for fear of missing out on further developments if they are seen as problematic, or creating avenues to engage with government bodies to ensure that their voices are heard. Different communities with different ethos towards civic engagement with the government dictate how these communities behave: rural Malay communities appeared to be more passive and would only focus on political engagement during general elections, while other minority communities were far more aggressive in forcing the government to listen to their concerns and feedback.

Regardless, the main takeaway from this study is that the execution and implementation of megaprojects in Malaysia is highly problematic and in need of massive reforms. Megaprojects are often conceptualised, planned, and implemented with minimal public engagement and transparency.

As such, based on the results of our study, we propose the following recommendations to the Malaysian government to better improve the way development projects are executed in this country:



1. Facilitate greater public engagement with development projects at more stages of development. This includes the planning stages, tender process, development and in post-completion evaluation. Local community leaders and CSOs must be recognised as stakeholders in these projects and thus be included in consultation and discussions on the viability, effects and benefits of the projects that affect them.



2. Conduct feasibility studies (by independent parties) before a project is undertaken and publish the findings to the public to ensure that the project has a good rationale and that there is a clear benefit to local communities and Malaysia as a whole. This can be achieved by organising town halls to introduce these projects to locals and gather their direct feedback.



3. Introduce a Government Procurement Act to ensure more transparency in how the funding, tendering and planning of the projects are done in a manner that can be assessed by independent third parties. To date, Malaysia does not have a specific legislation that governs government procurement processes in its entirety (Baker McKenzie, 2023). Government procurement activities and decisions are governed solely by the Ministry of Finance (MOF) via treasury instructions and treasury circulars.



4. Expand the scope of existing communication bodies, most notably the Community Communication Department (JKOM), to focus on creating an equitable and reliable platform for all Malaysians across the country to have a medium of communication to provide feedback about these projects. This is already part of JKOM's mandate to foster communication channels between the grassroots and the federal government (Abdullah, 2020). Therefore creating an online platform, establishing special service centres for locals to direct queries and feedback to government, or just regularly holding local town halls or public engagement events would be a good way to start building communication bridges at the grassroots level and start instilling a sense of political agency outside of general elections.

In closing, development projects are absolutely necessary for Malaysia, where most development is concentrated in only a handful of urban centres with everywhere else enduring limited infrastructure and federal support. But that does not mean that when major developments are being conducted in the rural outskirts, the government has the right to proceed without engaging with or listening to local residents. Development projects, especially megaprojects, often have big and unintended impacts on local cultures and environments and these need to be studied more comprehensively through engagement with the local grassroots communities. In finding no evidence about information operations about BRI projects, we have instead found an even bigger problem, which is the extremely problematic manner in which rural communities are treated by government bodies when it comes to megaprojects. That needs to change, and we are hopeful that our report can do just that.

References

- Abdullah, S. (2020, November 25). *Penyata Rasmi Parlimen Dewan Rakyat*. [Hansard](Bil.42) <https://www.parlimen.gov.my/files/hindex/pdf/DR-25112020.pdf>
- Baker McKenzie (2023). Public Procurement World - Malaysia. <https://resourcehub.bakermckenzie.com/en/resources/public-procurement-world/public-procurement/malaysia/topics/1-the-laws>
- Blythe, B. (2021). Malaysia's New Prime Minister and the Future of Chinese Investment. *Council on Foreign Relations*. <https://www.cfr.org/blog/malysias-new-prime-minister-and-future-chinese-investment>
- Camba, A., Gomez, T., Khaw, R., & Cheong, K. C. (2021). Strongmen politics and investment flows: China's investments in Malaysia and the Philippines. *Journal of the Asia Pacific Economy*, 1-22.
- Chan, T. H. (2017). Malaysia and China: The Trade Balances, Foreign Exchanges and Crises Impacts. *International Trade: On the Brink of Change*, 75.
- Chao, W. (2019). 'People-to-People Diplomacy: A Propeller of Major-Country Diplomacy with Chinese Characteristics in the New Era'. *Chinese People's Institute of Foreign Affairs*. [People-to-People Diplomacy 70 Years--English \(cpifa.org\)](https://www.cpifa.org/People-to-People-Diplomacy-70-Years--English)
- China Embassy of Malaysia. (2019, July 29). H.E. Bai Tian, *Chinese Ambassador to Malaysia: BRI not only facilitates the pragmatic cooperation and interests integration between China and Malaysia, but also promotes the people to people exchange*. Facebook. [Facebook](#)
- DoubleThink Labs. (2022). China Index 2022. [Malaysia - China Index 2022 \(china-index.io\)](https://china-index.io/Malaysia-China-Index-2022)
- Council on Foreign Relations. (2023). Assessing China's Digital Silk Road Initiative <https://www.cfr.org/china-digital-silk-road/>
- Ngeow, C. B. (2018). Religion in China's public diplomacy towards the Belt and Road countries in Asia. *In Silk road to belt road: Reinventing the past and shaping the future*, 75-93. Singapore: Springer Nature Singapore.
- Wright, T. and Clark, S. (2015). Investigators Believe Money Flowed to Malaysian Leader Najib's Account amidst IMDB Probe. *The Wall Street Journal*. <https://www.wsj.com/articles/malaysian-investigators-probe-points-to-deposits-into-prime-ministers-accounts-1435866107>
- Han, B.C., and Loh, B. (2022). Beijing's Global Media Influence 2022: Malaysia. *Freedom House*. [Malaysia: Beijing's Global Media Influence Report | Freedom House](https://www.freedomhouse.org/report/2022/01/05/asia-beijing-global-media-influence-report)
- Hock, K. M. & Gomez, E. T. (2022). State-state ties, power elites, and state-business relations: Malaysia-China Belt and Road projects. *Journal of Southeast Asian Studies*, 53(3), 416-440.
- The Guardian. (2019). IMDB scandal: China denies it offered to bail out Malaysian fund. <https://www.theguardian.com/world/2019/jan/09/1mdb-scandal-china-denies-it-offered-to-bail-out-malaysian-fund>

Lam, A. (2020). Domestic politics in Southeast Asia and local backlash against the belt and road initiative. *Foreign Policy Research Institute*.

Liu, H., & Lim, G. (2019). The political economy of a rising China in Southeast Asia: Malaysia's response to the Belt and Road Initiative. *Journal of Contemporary China*, 28(116), 216-231.

(2023). China Global Investment Tracker. *Heritage Foundation and the American Enterprise Institute*. [China Global Investment Tracker | American Enterprise Institute - AEI](#)

Grassi, S. (2020). The Belt and Road Initiative in Malaysia: China's Geopolitics and Geoeconomics Challenged by Democratic Transformation. *Berlin: Friedrich-Ebert-Stiftung (FES)*.

Kuik, C. C. (2021). Malaysia's Fluctuating Engagement with China's Belt and Road Initiative: Leveraging Asymmetry, Legitimizing Authority. *Asian Perspective*, 45(2), 421-444.

Malhi, A. (2018). Race, debt and sovereignty—The 'China Factor' in Malaysia's GE14. *The Round Table*, 107(6), 717-728.

Ngeow C. B. (2021). The Digital Silk Road. *Friedrich Ebert Stiftung*. <https://asia.fes.de/news/digital-silk-road>

Institute for Democracy and Economic Affairs (IDEAS). (2022). East Coast Rail Link (ECRL). *BRI Monitor* https://www.brimonitor.org/wp-content/uploads/2021/07/CS_ECRL.pdf

Institute for Democracy and Economic Affairs (IDEAS). (2022). Trans-Sabah Gas Pipeline (TSGP). *BRI Monitor* https://www.brimonitor.org/wp-content/uploads/2022/05/CS_NO_8_TransSabah_V2.pdf

Schrader, M. (2020). Friends and enemies: A framework for understanding Chinese political interference in democratic countries. *Alliance for Securing Democracy*.

Yean, T. S. (2018). Chinese investment in Malaysia: Five years into the BRI. *ISEAS Yusof Ishak Institute*.

Yusuf, S. M. & Merican J. (2022). Addressing Gaps in Transparency and Government Guarantee: Lessons from Malaysia's Four Case Studies. *BRI Monitor*. https://www.brimonitor.org/wp-content/uploads/2022/06/Malaysia_0608.pdf

Yongtao, L. (2015). People-to-people exchanges in Chinese diplomacy: Evolutions, strategies, and social practice. *Stosunki Międzynarodowe*, 51(4), 237-253.

Kejin, Z. (2007). Gonggong waijiao de lilun yu shijian (Public Diplomacy: Theory and Practice). *Shanghai Cishu Chubanshe*, Shanghai.

Appendix A - Focus Group Discussion Participant Demographics

Participant	Location	Gender	Community role
P1	Pahang	F	Head of Village
P2	Pahang	M	Village Committee
P3	Pahang	M	Village Committee
P4	Pahang	M	Village Committee
P5	Pahang	F	Village Committee
P6	Pahang	M	Village Committee
P7	Pahang	M	Village Committee
P8	Pahang	M	Environmentalism
P9	Pahang	M	Environmentalism
S1	Sabah	F	CSO
S2	Sabah	F	Government Think Tank
S3	Sabah	M	Journalist
S4	Sabah	M	Indigenous Group
S5	Sabah	F	CSO
S6	Sabah	F	CSO
S7	Sabah	F	CSO
S8	Sabah	M	Head of Village
S9	Sabah	F	Head of Village
S10	Sabah	F	Local Chinese Community Leader
S11	Sabah	F	Head of Village
S12	Sabah	F	Sabah Native Court
S13	Sabah	F	Villager
S14	Sabah	F	Single Mothers' Association Sabah
S15	Sabah	F	Villager
S16	Sabah	F	Villager



The Institute for Democracy and Economic Affairs (IDEAS) is a nonprofit research institute based in Malaysia dedicated to promoting solutions to public policy challenges. Our vision is :

“A Malaysia that upholds the principles of liberty and justice”

Our mission at IDEAS is to improve the level of understanding and acceptance of public policies based on the principles of rule of law, limited government, competitive markets and free individuals. Our work is independent of vested interests and partisan influences. We have also expanded our work into new areas focussing on our three overarching missions – advancing a competitive economy, ensuring trust in institutions and promoting an inclusive Malaysia. We act as an intellectual centre creating space for cross partisan principles-centric and results-oriented dialogue.

We achieve this by:

- Publishing cutting-edge research
- Initiating dialogues with government, lawmakers, businesses and civil society
 - Providing thought leadership
- Facilitating networking between like-minded individuals
- Organising educational programmes

Please support us by making a donation. You can make a contribution by cheque payable to “IDEAS Policy Research Berhad” or by transfer to our account CIMB 8008852042. We can only survive with your support.

© 2023 IDEAS. All rights reserved.

IDEAS Policy Research Berhad
The Lower Penthouse
Wisma Hang Sam, 1, Jalan Hang Lekir 50000 Kuala Lumpur

www.ideas.org.my
Reg No: 1219187-V

Selection of IDEAS' Publications (2022-2023)

Policy Ideas

Policy Paper No 77 - Pantau Laksana: Assessing Malaysia's Transparency and Accountability Initiatives in Implementing Emergency Fiscal Responses by Sri Murniati Yusuf, Alissa Rode and Zhen Ting Low (February 2023)

Policy Paper No 76 – Breast Cancer Care in Malaysia: Access to Early Detection, Diagnosis and Optimal Treatment by Fatiha Hana Shabaruddin and Kirjane Ngu (February 2023)

Brief Ideas

Polisi Ringkas No. 35 - Ketelusan Belanjawan Di Negeri-negeri Malaysia: Dapatan Utama Indeks Belanjawan Terbuka Malaysia - MYOBI 2022 by Sri Murniati Yusuf, Alissa Rode dan Muhammad Arieff Najmuddin (April 2023)

Brief IDEAS No. 37 - Challenges in Hiring and Talent Upskilling in Malaysia as an Upper Middle Income Country: Paving the Way Forward for a Resilient, Skilled Workforce in the Manufacturing and Services Sectors by Imran Shamsunahar, Jazreen Harith and Juita Mohamad (February 2023)

Brief IDEAS No. 36 – Strengthening the Digital Trade Ecosystem: The Next Frontier for Malaysia by Farlina Said, Imran Shamsunahar and Juita Mohamad (December 2022)

Brief IDEAS No. 35 – Budget Transparency in Malaysian States: Key Findings of Malaysia's Open Budget Index (MyOBI) 2022 by Sri Murniati Yusuf, Alissa Marianne Rode, and Muhammad Arieff Najmuddin Mohd Mohtar (July 2022)

Report

API Report No.07 – ASEAN Integration Report 2022 by Dr: Evelyn S. Devadason, Dr: Lurong Chen, Ms Yuanita Suhud, Dr: Aya Ono, Dr: Anh Tuan Nguyen, Dr: Poppy S. Winanti, Dr: Katrina Navallo, Dr: Upalat Korwatanasakul, Dr: Adiasri Putri Purbantina, Mr Imran Shamsunahar, Dr: Juita Mohamad, Ms Julia Merican, Ms Kirjane Ngu and Mr Jazreen Harith (November 2022)

Left Far Behind: The Impact of COVID-19 on Access to Education and Healthcare for Refugee and Asylum-Seeking Children in Peninsular Malaysia by Diode Consultancy and Wan Ya Shin (September 2022)

Policy IDEAS are IDEAS' regular publications that introduce and propose ideas for policy reforms based on analysis of existing policies or best practices.

Institute for Democracy and Economic Affairs (IDEAS)
The Lower Penthouse, Wisma Hang Sam, 1, Jalan Hang Lekir 50000 Kuala Lumpur