

‘Colocalization’: Coexistence and Integration of Foreign Workers with Local Communities in Penang, Malaysia

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Abstract. Studies on colocalization of industry firms and the benefits it derived to diversified economic regions have been made by many. However, the issues on colocalization – or coexistence and integration - of foreign workers with local communities in diversified economic regions, is less studied, particularly in Malaysia. This paper questions on the extent to which foreign workers in diversified economic environment coexist and integrate with local communities, and factors and processes that encourage colocalization between these groups. Taking multi-racial residential areas of the fast urbanizing Bayan Lepas Free Industrial Zone in Penang, Malaysia, as a study site, this paper will discuss the coexistence and integration of foreign workers and local communities in this area.

Keywords: Migration, Integration, Foreign Workers, Local Communities, Penang, Malaysia.

1. Introduction

Studies on colocalization of industry firms and the benefits it derived to diversified economic regions have been made by many (see for example Jofre-Monseny 2009; Baldwin et. al 2008; Venables 1996). However, the issues on colocalization – or coexistence and integration - of foreign workers with local communities in diversified economic regions, is less studied, particularly in Malaysia. This research poses the following questions: to what extent foreign workers in diversified economic environment coexist and integrate with local communities? What are the factors and processes that encourage colocalization between these two groups? The objectives of the study are, firstly to extend theorizations of ‘colocalization’ by examining this concept with a focus on foreign workers living and working in an industrial region of Penang, Malaysia; and secondly to investigate the coexistence and integration of foreign workers with local communities and their positive contributions to social, economic and cultural development.

2. Literature Review

The concept ‘colocalization’ has been widely used in economic and industrial geographies, referring to the colocalization of industry firms (localization economies) in specific locations, and the benefits derived from large and diversified economic environments (Jofre-Monseny 2009; Venables 1996). This research will extend theorizations of ‘colocalization’ by examining this concept with a focus on foreign workers living and working in an industrial region of Malaysia. In this context, colocalization refers to the coexistence and integration of foreign workers with local communities and their positive contributions to social, economic and cultural development. Some studies have documented conflict and contestation, in which many highlights on the segregation and marginalization of foreign workers, especially those of low-skilled, and also female, in the host countries (Body-Gendrot and Schain 1992; Ho, 2006; Sassen 1998; Hewammane 2006). Others however view local residents as the marginalized group, being contested for economic, social and living space in their own country (Sirat & Ghazali 2011).

Rapid urbanization and globalization of economic activity in the developed and developing countries have led to international immigration by both skilled and semi/unskilled workers to cities in these countries. The mass inflow of foreign workers in global cities has brought new social and cultural landscapes within the city and its surrounding area. The result is that the city becomes a mosaic of social worlds, each supporting a

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group of similar intent, who in their habitual interaction reinforce the character both of their group and of their place (Ley 1997). As have been discovered by Sirat and Ghazali (2011), within and between these 'mosaics', there are persistent conflicts and resistance between the local communities and the immigrants; and between the immigrants (see also Ghazali, forthcoming).

Cities in Malaysia have experienced massive economic globalization since the mid-1960s when the government established free trade zones, which enabled multinational firms to transfer part of their production process, normally those which are labor-intensive, to such special economic zones (Brydon & Chant 1993; Ghazali 1999; 2000; Sirat & Ghazali 2011). Industrialization policy focusing on export-oriented industries has resulted in rapid economic growth and a high demand for labor. The number of foreign labor migrants began to increase in Malaysia in the early 1970s, and with the rapid growth of the economy in the 1980s and the 1990s, the number grew (Kassim 1998). In 2008, 52.6% of the 2.063 million regulated foreign workers in Malaysia came from neighboring Indonesia. Workers from Bangladesh have also increased in the recent decade (Malaysia 2009). It is estimated that the total number of foreign workers (including illegal workers) in Malaysia would be 2.5 million (Sirat and Ghazali 2011).

Urban and peri-urban areas are the main loci of employment, particularly in connection with the electrical and electronic industries which experienced rapid growth during the 1990s. Workers often live in rented premises in neighboring residential areas (Sirat and Ghazali 2011), including in city *kampung* (villages) and surrounding the cities (Ghazali 2000; forthcoming). In many North American and West European cities, substantial inflow of foreign migrants from the developing world have resulted in distorted images of foreigners among local communities, with the latter holding the perception that foreign migrants compete with them for jobs, housing and services, which give rise to anti-immigrant movements and violence at local level (Body-Gendrot and Schain 1992; Ho, 2006).

Some studies argue that disadvantaged workers in global cities are women and immigrants from different ethnic and national backgrounds. Their political sense of self and whose identities are not necessarily embedded in the "nation" or the "national community" (see Sassen 1998; Hewammane 2006). Another point of view, however, suggests that established residents/nationals are marginalized, or feeling marginalized in global cities as job opportunities are being taken by foreign workers, meanwhile residential areas are being 'invaded' by new social and cultural values that are foreign or degrade the local culture (Sirat and Ghazali 2011; Ghazali forthcoming). Lin (1998) argues that immigration cities act as gateways of labor, capital, commodity, and cultural exchange in the new global economy; however contradictions and conflicts are also presented by globalization. Balbo and Marconi (2006) highlight that although there is growing perception that urban cultural diversity is a desirable outcome of globalization, more international migrants add to the low-income population and are particularly affected by urban exclusion. Furthermore, local governments in developing countries are seldom prepared to cope with the ad hoc policies needed to integrate people with different cultural, social and religious traditions into the urban society (Balbo and Marconi 2006). This led to increasing social-cultural conflicts between foreign migrants and local communities (Sirat and Ghazali 2011).

Cities and their immediate surroundings, therefore, experience significant economic, socio-cultural and physical transformation and thus, would provide an appropriate public laboratory for research since new growth is expected to occur in small towns and cities around the world. Our study will explore colocalization - positive consequences of the coexistence and integration of foreign workers with local communities in an industrial region in Malaysia, namely Bayan Lepas Free Industrial Zone (FIZ) in Penang, Malaysia - the study area.

3. Methodology

108 local communities (55 male, 53 female) and 109 foreign workers (70 male, 39 female) that live in six residential areas surrounding Bayan Lepas FIZ had been chosen for a questionnaire survey, meanwhile about 30 of them had been involved in detailed interviews. Respondents were selected using multiple sampling strategies, including stratified random, purposive and convenient sampling in order to get as diverse respondents as possible in order to match the complexity and diversity of the population resided in the Bayan Lepas FIZ area. The majority of local communities studied were the Malaysian Malay, Malaysian Chinese and Malaysian Indian, meanwhile foreign workers involved were the Indonesians (51 respondents),

Bangladeshis (17), Nepalese (17), Burmese (13), Vietnamese (5), Pakistanis (3), the Thais (1), Indians (1) and Filipinos (1). The age range of local communities studied were 19 to 80s, with the majority between 30-50 of age; and the age range of foreign workers were 19-54, with the majority between 20-40 of age. Data to be presented here will be a frequency data, which will be supported by qualitative information gathered from detailed, informal interviews to provide sound information on the coexistence of foreign workers with local communities.

4. Results and Discussion

Most foreign workers selected are employees in various occupation sectors. 53 of them are production operators in multinational factories in Bayan Lepas FIZ. 15 are construction workers, 9 restaurants and food stall assistants, 10 are cleaners, 7 sales assistants, 2 housemaids and 2 car-wash workers. Interestingly, 11 people own a stall or a shop and established their own businesses, usually in food industry and traditional medication. The majority of foreign migrants studied are either working around their residential areas, or at the close proximity to their residential areas. Only a few commuted more than 20 kilometers away to work outside the Bayan Lepas FIZ neighborhood. This suggests that local Bayan Lepas communities and foreign workers have better opportunity to interact, therefore the sense of community and neighborliness might be developed among them. Sense of community might promote sharing of ideas, perception and culture, thus should minimize conflict and contestation.

To explore the extent to which foreign workers coexist and integrate with local communities, and the ways these contribute to social, economical and cultural development, these aspects will be examined: (a) relationship with neighbors, (b) cooperativeness and interdependence with each other.

4.1. Relationship between Foreign Workers and Neighbors

12.8% foreign workers studied claimed that their relationship with local communities as ‘very good’; and 74.3% contented that their relationship with their neighbors as ‘good’, compared to 11% who claimed the relationship as ‘less good’ and 1.8% claimed ‘not good’. Respondents who claimed the relationship with the locals are ‘good’ and ‘very good’ said these based on their daily experience. They regarded the relationship as good because they ‘always get together and talk to each other’, ‘we smile to each other’, ‘the neighbors are friendly’ and ‘local neighbors did not disturb us’. Five foreign workers however managed to show genuine relationship with local neighbors by claiming that their local neighbors shared with them food, respect and help them in time of need, talk and greet them almost every time they met, and went to the mosque with them.

Table 1: Relationship of foreign workers and local communities in residential areas surrounding Bayan Lepas Free Industrial Zone, Penang, Malaysia

Types of relationship	Very frequent	Frequent	Sometimes	Never	Total
FW: We smile to each other	47 (43.1%)	35 (32.1%)	24 (22.1%)	3 (2.7%)	109 (100%)
LC: We smile to each other	33 (30.5%)	31 (28.7%)	18 (16.7%)	26 (24.1%)	108 (100%)
FW: We greet each other	41 (37.6%)	29 (26.6%)	29 (26.6%)	10 (9.2%)	109 (100%)
LC: We greet each other	29 (26.9%)	32 (29.6%)	20 (18.5%)	27 (25.0%)	108 (100%)
FW: We talk to each other	38 (34.9%)	22 (20.2%)	31 (28.4%)	18 (16.5%)	109 (100%)
LC: We talk to each other	25 (23.1%)	26 (24.1%)	22 (20.4%)	35 (32.4%)	108 (100%)
FW: We work together for a feast or events at the mosque or in the village/residential area	21 (19.3%)	17 (15.6%)	16 (14.7%)	55 (50.4%)	109 (100%)
LC: We work together for a feast or events at the mosque or in the village/residential area	17 (15.7%)	17 (15.7%)	12 (11.2%)	62 (57.4%)	108 (100%)

FW: Foreign workers LC: Local communities

Table 1 detailed aspects of relationship with neighbors on every day practices and mundane behavior, which are seemingly small and insignificant, but is in fact significant in their own right (Ho and Hartfield 2011). The everyday exchange of smiles, greeting, talking and chatting, and also working together for a feast, for example, reveals the coexistence and integration of foreign workers and local communities in residential areas. From Table 1, we conclude that interaction of foreign workers and local community is considered

minimal, with the majority simply managed to smile and greet, without intense interaction through everyday chatting, or involve in the community or village works, such as *gotong-royong* (working together).

It can also be seen that the perception on relationship is a little different between foreign workers and local communities. Perception of local communities towards their relationship with foreign workers is somewhat lower than the perception of migrants towards their relationship with local communities. The migrants tend to overestimate their integration with local communities, meanwhile local communities underestimate their relationship with foreign migrants.

4.2. Cooperativeness and Interdependence

The element of working together in neighborhood activities, such as helping and joining in a feast provided by the neighbors, or attending the mosque and other activities in the residential area will be explored in this section. Table 1 had shown that there are certain indication of coexistence and integration of foreign workers with local communities in the study area. This indicates that there is acceptance to each other (migrants and locals); and the presence of cooperativeness and neighborliness between them. Interviews with village leaders and important persons in the residential areas will be used while discussing the integration of foreign workers with local communities. Factors and processes that encourage colocalization between these two groups will also be discussed (Table 2).

Table 2: Perceptions of village leaders on the coexistence and integration of foreign workers with the local communities surrounding Bayan Lepas Free Industrial Zone, Penang, Malaysia

Informants	Description on coexistence and integration of foreign workers with local communities
Village leader of Kampung A, male, 60s, Malaysian Malay	The Bangladeshis are easy to get along with local people. They are quite religious, often attend the prayer at the mosque. If we have thanksgiving feast, or Ramadan activities at the mosque, we would ask them to help serve the food. It is easier to get along with Bangladeshis because we embrace the same religion. If we ask them to help clean the mosque, they will do immediately...they clean the carpet, wash the windows, cut the grass...and when we (the village community) want to pay them for the tasks, they do not want to take it (the money). They said that doing work for the mosque is an <i>ibadah</i> (good deed) so it is not good if they take the money.
A village leader of Kampung B, 50s, male, Malaysian Malay	Some Indonesians, Bangladeshis and Burmese rent rooms and houses in my village. The rent is about RM200-RM300 per month (USD64-96). They also buy things and food from the sundry shops and food stall nearby. Actually the locals can make extra income since they are here. Sometimes I called them to help me with some work, such as, to cut branches and trees around my house. When I wanted to pay them, they didn't want to accept it..so I gave them fruits from my orchard. We also called them to repair our house if the damage is little, and we will pay them. It is cheaper to pay them compared to calling a house contractor. They also will freely ask us for help or something. For example, an Indonesian lady sometimes asked for banana leaves which she used to pack her cooked food, and I gave them to her for free.
A block leader of Flat A, male, 30s, Malaysian Indian	There are many foreign workers rent a flat in this area. The rent is about RM500 (USD161). Most of them are Bangladeshis, Nepalese, Burmese, Indian; they work in the factories. Nowadays most Malaysian secured good jobs, and they don't want to do odd jobs such as cleaning, or as assistant at a food stall. Therefore we have to hire the migrants for these tasks. The locals also can call them to clean their house.
An ex-block leader of Flat B, male, 60s, Malaysian Chinese	A number of Nepalese and Vietnamese rent houses in this flat area. They didn't mix around with the locals. But the Indonesians, Bangladeshis, Burmese and Indians are easier to mix around with local people. Usually they are friendly to Malay and Indian neighbors. Usually this is because they embrace the same religion.
A food seller in a residential area, woman, 50s, Malaysian Malay	Malaysians today do not want to do hard works like cleaning the drain, washing plates. So we need them (foreign workers) to do these jobs. I also hire three foreign workers to cook and wash the plates at my food stall. They are an Indonesian, Bangladeshi and Thailand, all Muslims. The chief cook is still a Malay, because I want the food to be original Malay cuisine. But they help in preparing, serving, cleaning and many others. I haven't got any problems with them since they worked for me. They are all good.
A food seller in a residential area, woman, 50s, Malaysian Malay	I open the food stall from 6.30 am to 7.30 am (one hour) and sell varieties of food for breakfast. I purposely set my stall here (near the bus stand) therefore the factory workers can by breakfast while waiting for the factory buses. Many of them are Indonesian and Vietnamese. They really support my business.

Source: Personal interviews, October 2011.

Such description portrayed by local communities show that there is an element of coexistence, integration, and interdependence between migrant workers and local communities. Malaysia has become dependent on contract foreign labor that the economy would come to standstill if foreign workers were to be sent home (Sirat and Ghazali 2011). In Penang, the economic and social-cultural landscapes have become diverse and dynamic. The interdependence in economic opportunities is evident, while social and cultural exchange is also prevalent. Foreign workers are adapting to local culture by learning and using the language, and eating the food, while the locals are ready to understand, learn, and even adapt to the cultures of the migrants. Of this, a female Malay factory worker, aged 40, who co-resides with Indonesian factory workers in a flat, admitted:

“I speak Indonesian and cook Indonesian food so that my Indonesian friends accept me as one of them. We have no problems to get together. Some thought that I am an Indonesian and they were surprised to know that I am actually Malaysian”.

5. Conclusion

This study concludes that foreign workers in diversified economic environment to have the potential to colocalize with local communities. A relatively straightforward integration is expected between nationals that share similar social and cultural elements, such as belief and language. Belief or religion led to similarities in every day behavior, attitude and perception, thus promote uncomplicated social interaction amongst them. Language meanwhile led to easier conversation. Therefore such similarities offer the opportunities for integration, which advanced to healthy economic, social and cultural landscapes. Therefore we suggest that the theorization of ‘colocalization’ can be extended to explaining the benefits of foreign workers living and working together with the local communities, in particular in industrial regions of Penang, Malaysia.

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