

Sustainability in Penangite Accent

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1.1 INTRODUCTION TO THE STUDY

Solutions to environmental problems occur in small steps. Themes developed at the global level have to be translated into actions at the local level. Local NGOs identify external threats and opportunities. They may decide whether to act and what to do based on their organization's strengths and weaknesses, their ability to mobilize other groups, and their political environment. To learn more about how NGOs have responded to environmental challenges and opportunities we have identified and examined landmark cases in Penang, Malaysia. We selected Penang because of its history of environmental NGO advocacy, the NGOs' links to national and international environmental NGOs, and their commitment to adopt new strategies to protect Penang's natural resources and its quality of life.

The study was conducted jointly by researchers from RCE Penang and United Nations University Global Environmental Information Centre (GEIC). It is made possible under the research grant from GEIC and supports from the Secretariat of RCE Penang @USM. This report is based on analysis of a number of interviews conducted with individuals from NGOs in Penang who have been very cooperative in sharing their experiences and opinions on various issues of environment and sustainable development in Penang. It is reported in a broader framework of analyzing issues and challenges in NGO-government relations and collaboration among themselves.

The report is divided into three main chapters with a brief concluding remark at the end of it. Chapter 1 provides a context for the cases. It summarizes Penang's geography, ecology, people, economy, and government. Chapter 2 examines four environmental cases that involved Penang's NGO over the past four decades. The cases are selected based on interviews with the principals and a review of contemporaneous documents. The story told in each case study is their story and the themes that appear are their themes. The cases reflect the point of view of activists who kept their eyes on the external threats or opportunities that were presented.

Chapter 3 identifies the two themes that predominated in the cases: NGO-government relations and collaboration. Research literature is reviewed on both themes. The literature worked surprisingly well in putting the cases in a broader context. The literature also suggested future directions that the NGOs might consider as their opportunities expand. The collaboration literature provided a valuable resource. It encourages collaborations to respond to their local demands. The literature suggests what a collaboration should consider as it recruits members and engages them in its work.

CHAPTER 1

AN OVERVIEW OF PENANG: ITS ECOLOGY, PEOPLE, ECONOMY, AND GOVERNMENT

1.2 A Brief Introduction to Penang

The physical features of Penang and its natural gifts provide an environment the residents want to protect. The multi-cultural, well-educated population has the capacity to form NGOs and to lead campaigns challenging the several decisions made by the government. The economy has freed much of Penang's population from poverty and given them the benefits enjoyed by people in more developed nations. Nevertheless, economic development comes at a cost of producing a less hospitable environment. The national state's policies favoring economic development create a tension as it threatens Penang's long-term sustainability. The government in Malaysia and Penang are responsible for generating economic plans and developing environmental regulations, thus government is the primary target of environmental NGOs.

1.2.1 The Geography and Ecology of Penang

Penang is located in the North of Malaysia and is divided into two sections: Penang Island, an island of 293 square kilometers located in the Straits of Malacca; and Province Wellesley (known as Seberang Perai in Malay), a narrow hinterland of 760 square kilometers on the Malaysian peninsula across a narrow channel. Penang Island is irregularly shaped, with a granite, hilly and mostly forested interior, the highest point being Western Hill (part of Penang Hill) at 830 meters above sea level. The topography of Province Wellesley is mostly flat.

Penang Island has a rich, diverse natural environment. It hosts rainforests, mangroves and extensive marine wildlife. The mangrove forests provide a diverse ecosystem of several aquatic species of fish, snails, cockles, shrimps and crabs, reptiles (snakes and monitor lizards), migratory and local birds, insects and mammals (monkeys, wild boars and otters). It has 190 recorded species of fauna. The nest of the white-bellied sea eagle can be easily observed in the coastal forests. The green (Chelonia mydas) and olive-ridley (Lepidochelys olivacea) turtles nest on the western beaches. The Irrawaddy dolphins are sometime seen in coastal seas. Migratory birds are abundant during their migration between October and January.

The Botanical Garden was established in 1884, succeeding a garden established in 1796. Pantai Acheh Forest Reserve, declared the Penang National Park (PNP) in 2003, is located at the north-western corner of Penang Island. Covering an area of 2562 hectares, it is the last wilderness and nature heritage of Penang. Lying far from civilization, it hosts scientific and nature studies and recreational activities. Its ecosystem consists mainly of tropical lowland forest with coastal features.

Penang Island's rivers have particularly suffered due to heavy urbanization. According to quality indices, water quality in the upper reaches of the island's rivers is medium to good. Water quality dwindles in the plains, due to the seepage from urban areas and discharges from the industrial and agricultural lands. In the Perai area, Juru River has been ranked as one of the most polluted river in Asia, which has affected the livelihood of the coastal fishermen since 1970s.



Figure 1. Map and location of Penang (Source: Google Map, 2008)

1.2.2 The People and Their Culture

In addition to its natural environment Penang has been major regional city, which has contributed to its economic security, and its diverse, well-educated population. Because of its closeness to Thailand and its long history of international trade Penang hosts a vast range of different cultures, races, religions and ethnicities such as the Indian Muslims, Straits Chinese, Eurasian minorities, Arabs and Thais. The 2007 official statistics reported that Penang consisted of: ethnic Chinese- 645,900 (43.4%); Malay - 601,200 (40.2%); Indian - 158,000 (9.9%); Bumiputra other than Malay - 5,600 (0.37%); Non-bumiputra: 91,200 (6.1%). As of 2005 the population of the Penang state was estimated as 1,468,800, with 48% in Penang Island and 52% in Seberang Perai.

Penang has the highest population density of any Malaysian state with more than 2000 people per square meter.

The general level of education and literacy rate of Penangites is considered among the highest in Malaysia. Penang Free School, the first English school in Malaysia, was established 1816. The oldest Malay school, Sekolah Kebangsaan Gelugor was established in 1826. The oldest Chinese school in Malaysia, Chung Hwa Confucian School was founded in 1904. The Universiti Sains Malaysia (USM) was established in 1969; it is one of the top 3 Malaysian universities. Many of the Penang's NGOs share strong ties with USM.

Penang was also the home of the peninsula's first newspaper. The Prince of Wales Island Government Gazette (alternatively bearing, at various times, the masthead of The Government Gazette and the Prince of Wales Island Gazette) came into being in early 1806. It was published continually until the early 1830s. During the life of the newspaper great changes took place in Penang and on the peninsula; the Gazette provides one of the few public records of these changes (Wade 2002). By serving as a public medium for the exchange of information and ideas, the newspaper brought new knowledge and new ways of thinking to Penang's elites.

1.2.3 The Economy of Penang

Poised at the gateway to the Straits of Malacca, Penang was the first port of call, east of India, for transoceanic ships. For the people of Aceh, North Sumatra, and South Thailand, it was an entrepot for tin, rubber and tropical produce and a gateway to the west (Kelly, 2003). At the end of the 19th century Penang enjoyed a trade boom, as rich deposits of tin were found in the neighboring state of Perak. Initially famed for clove and nutmeg, Penang gradually turned to sugar and coconut as cash crops. Pepper was imported from Aceh in Sumatra, Indonesia, for re-export. As Britain's only strategic port in the Straits of Malacca, Penang was soon linked by sea to Chanai (Madras, India), Rangoon, Medan (Indonesia) and Singapore.

Since its establishment Penang has provided the world important strategic materials for industrial development and changed the landscape of Malaysia at the same time (Fazal, 2007). The Penang Botanical Garden served as a laboratory for experiments on economic plants that later were commercially cultivated throughout Southeast Asia. Rubber was introduced by the British, and large parts of land on the peninsula were converted into rubber plantations. With the advent of new food canning technology, tin was in great demand. At one time, Penang housed the world largest tin melting facility in the world, and the price of the tin was set at Penang. The third strategic material was oil palm. These three strategic materials contributed British wealth during the colonial period. Oil palm is still the major agricultural crop of Malaysia and contributes large amount of its export income.

In 1905 the first hydroelectric scheme in Penang was completed, giving the island its first electricity. Penang's first electric tramway appeared in 1906. By mid 20th century,

traditional modes of transportation such as the rickshaws introduced by the Chinese, the bullock carts introduced by the Indians, and the horse-carts were gradually replaced by more modern modes of transportation.

Today, Penang has Malaysia's third-largest economy after the states of Selangor and Johor. Industrial manufacturing accounts for about 42.9% of its GDP (Penang State Government, 2008). The sector is led by export-oriented electrical and electronics industries, followed by textiles and apparel. The second most important growth industry is tourism, which complements the traditional sectors of trade and services. Agriculture, once the most important sector after trade, has been steadily declining, particularly due to the conversion of agrarian land for industrial use and urban development (Nasution, 2001).

Penang's industrialization has become a model for many medium-sized cities in Asia, Africa and the Middle East. Penang's industrial sector has provided the population employment, skill development and higher per capita income. Penang's one time problem of unemployment has been replaced with a problem of labour shortage, Penang has redirected its industrialization strategy to target more capital-intensive high technology industries. The industrial sector pulled Penang into economic recovery after the 1997 financial crisis. Its economic competitiveness has been further increased by Malaysia's currency depreciation (Nasution, 2001). In January 2005, Penang was formally accorded the Multimedia Super Corridor Cyber City status, the first outside of Cyberjaya, with the aim of becoming a high-technology industrial park that conducts cutting-edge research. In recent years, however, the state is experiencing a gradual decline of foreign direct investments due to factors such as cheaper labour costs in China and India (Wikipedia, 2008).

With the advent of the NCER (Northern Corridor Economic Region) project started in 2008 Penang is poised to see a significant increase in infrastructure construction. These projects will boost efforts to make Penang the transportation and logistics hub of the NCER. More recently, the Prime Minister unveiled a list of proposed projects for the state under the NCER initiative, which promises to turn Penang into the "Gateway to the Northern Corridor" (SERI, 2008).

Based on NCER official documents; the vision of the NCER is for the Penang region to become a world-class economic region by 2025 and among the world's best in key economic sectors, such as the electric and electronic industries agriculture, tourism and biotechnology. Through the provision of a conducive business environment, the NCER should be a destination of choice for foreign and domestic businesses investors. Its emphasis on social development, community infrastructure and environmental integrity will make it a place where both Malaysians and foreigners would choose to work, learn, visit and live.

1.2.4 The Penang Development Corporation (PDC)

In the late 1960s Penang experienced an economic decline as investments went elsewhere. In economy worsened in 1969 when Penang lost its status as the free port. In May 1969 a major race riot took place across the country and led the federal government to address structural inequalities with the New Economic Policy (NEP). (Nasution, 2001).

In response to its declining fortunes, the Penang's state government embarked upon a policy of industrialization by establishing the Penang Development Corporation (PDC) in 1969 (Kelly, 2001). PDC was responsible for implementing and directing major development strategies: industrial development focusing on export-oriented, labor-intensive industries, rural development and the creation of new industrial townships (Nasution, 2001).

Taking advantages of new national policies (in particular the Investment Incentive Act of 1968 and the Free Trade Zone Act of 1971) the PDC established several serviced industrial estates. Some were created as free trade zones. Penang's possession of a cheap and well-educated labor force, a developed infrastructure of port and airport facilities, and links with its rural areas(a future source of labor migrants), contributed to its industrial growth. Penang began to rely increasingly on the newly emerging manufacturing sectors (Kelly, 2001). Two large industry estates, Bayan Lepas and Prai Free Trade Zone, have attracted foreign electronics and semiconductors manufacturers that have transformed Penang into the "Silicon valley of Asia".

1.3 Background on Malaysian and the Governance of Environmental Issues

1.3.1 Malaysian Government

Malaysia is a Parliamentary Democracy with a constitutional monarch, as the Supreme Head of the country. In keeping with the concept of Parliamentary Democracy the Federal Constitution calls for separation of governing powers among the Executive, Judicial and Legislative Authorities at both the federal and state levels. At the State level the same separation of powers exist; that is, power is shared by the Executive, Judicial and Legislative Authorities. Elections for the state legislature are held every five years.

Penang, like the other states of Malaysia, has its own state government. As a former British settlement, Penang is one of only four states in Malaysia not to have a hereditary Malay Ruler or Sultan, In Penang, the head of state is the Yang DiPertua Negeri (Governor) who is appointed by the king. He exercises the legislative powers of the state government on the advice of the legislative council which is headed by the Chief Minister. The Executive Council, the highest administrative body in the state, is responsible to the Legislative Assembly. The state secretariat and other state/central government departments assist the Executive Council in the administration of the state.

At the local government level, the state is divided into 2 local authorities, one on the island and the other on the mainland, the Municipal Council of Penang Island (Majlis

Perbandaran Pulau Pinang) and the Municipal Council of Province Wellesley (Majlis Perbandaran Seberang Perai).

Up until March 2008 local councillors were appointed by the state government. Both municipal councils are made up of a president, a municipal secretary and 24 councillors. The president is appointed by the State Government for two-year terms of office while the councillors are appointed for one-year terms of office. In March 2008 Penang voters reestablished an elected Council which now includes two representatives from NGOs.

1.3.2 Vision 2020

In 1991 the Malaysian Prime Minister declared Vision 2020, a vision for Malaysia to reach the standard of living of industrialized countries by the year 2020. Malaysia's strategy included: accelerating the process of urbanization; intensifying consumerism; increasing the population base to expand the domestic market; creating modern financial markets; expanding the industrial, tourism and property construction sectors; developing automotive and heavy industries; and more recently develop the information technology industry (Nasution, 2001).

The Penang Economic Council drafted the Penang Strategic Development Plan in 1991 to support Vision 2020. Specific strategies included the promotion of skill-intensive, technology-intensive, and high-value-added industries through building research and development infrastructure, including technology parks, and a supportive culture with a qualified workforce (Boulton et al., 1997).

1.3.3 Look East Policy

In 1982 Malaysia launched the Look East Policy which called for Malaysia to model its economic development on Japan and South Korea. Its main objectives were to increase the quality of management and create a labor force with good values and positive work ethics (PM Project, 2008). This policy accelerated Malaysia's development projects with increased foreign investment, technology transfer, in-house training, introduction of Eastern values, and human resources development. Proton Saga, the country's first national car, was launched in 1985 with technology transferred from Mitsubishi Motors Corporation in Japan. A number of construction contracts were awarded to foreign firms, including South Korean and Japanese firms. Contracts to build the Penang Bridge and major highways were given to a South Korean firm. The construction of the Dayabumi complex (home to several commercial facilities) was contracted to a Japanese firm (PM Project, 2008).

The Look East Policy encouraged more Japanese companies to set up plants in Malaysia. The weakening of the U.S. dollar against the yen in 1985 brought a surge of Japanese plant relocations to Malaysia. In 1986 to encourage foreign investment the government lifted restrictions on 100-percent foreign ownership in export industries and high-tech industries. Another major influx was fueled by the continuing appreciation of yen from the second half of 1993 (Global Environmental Forum, 2000). According to

MIDA (2008), in 2006 there were 126 Japanese companies in Penang which employed about 20,000 people. Among the companies with facilities in Penang are Sony, Sanyo, Toray, Renesas and Kobe Precision.

1.3.4 1997 Economic crisis

Beginning in July 1997 much of Asia was gripped in a financial crisis raising fears of a worldwide economic meltdown. Before the crisis, Malaysia had a large current account deficit of 5% of its GDP. At the time, Malaysia was a popular investment destination, which was reflected in Kuala Lumpur Stock Exchange (KLSE), which was regularly the most active stock exchange in the world. Expectations were that the growth rate would continue, propelling Malaysia to developed status by 2020 (Wikipedia, 2008).

In July 1997, within days of the Thai baht devaluation, the Malaysian Ringgit was "attacked" by speculators. By the end of 1997, KLSE had lost more than 50% of its value, and the Ringgit had lost 50% of its value. The exchange rate for the Ringgit dropped from above 2.50 to under 3.80 to one US Dollar. In 1998, the output of the real economy declined plunging the country into its first recession in many years. The country's gross domestic product dropped 6.2% in 1998 (Wikipedia, 2008).

Various defensive measures were announced to overcome the crisis. The principal measure was to move the Ringgit from a free float to a fixed exchange rate regime. Capital controls were imposed while aid offered from the IMF was refused (Wikipedia, 2008). Some of the mega development and infrastructure projects were frozen, such as the Bakun Dam in Sarawak. By 1999 the economy showed signs of recovery.

1.3.5 Governance of Environmental Issues in Malaysia: Environmental Agencies

At the federal level, the jurisdiction of environmental administrative falls under the responsibility of Department of Environment (DOE) under the Ministry of Natural Resources and Environment. DOE is in charge of the National Policy on Environment. At present, DOE has 1568 staff members working in 15 State Offices and 26 Branch Offices. The Department's main role is to prevent, control and abate pollution through the enforcement of the EQA 1974 and its 34 subsidiary legislation made there under. Its tasks include pollution control and prevention, sustainable development through conservation of resources, integration of environmental factors in development planning, promotion of environmental education and awareness, public participation, inter-agency and federal-state cooperation, bilateral, regional and international cooperation (DOE, 2008).

Other central government agencies with administrative responsibilities in specific areas of environmental protection include the Department of Forest in the Ministry of Primary Industries (forest conservation), the Department of Wildlife and National Parks in Ministry of Natural Resources and Environment (wildlife protection), and the Marine Department in the Ministry of Transport (marine pollution) (Global Environmental Forum, 2000).

The state governments have authority over matters relating to land use planning, agriculture, forestry, fishery, water resources, but the federal government has authority in regard to environmental affairs. While the collection, treatment and disposal of municipal waste also come under local government administration (Global Environmental Forum, 2000).

This division of powers and roles among the various layers of government in relation to environmental protection and management makes the implementation of integrated planning a real challenge. Often, this institutional weakness is cited as a hindrance to adopting an integrated approach to environmental management and enforcement of laws related to the environment (Ramakrishna, 2002).

1.3.6 Environmental Laws

Before the Environmental Quality Act (EQA) was gazetted in 1974, the environmental protection regulations were distributed among several pieces of regulations, such as Mining Enactment, Forest Enactment and Water Enactment, and managed by large number of governmental agencies. Most of the regulations were established during the British colonial period which focused on the pollution problem caused by mining and palm oil industries. The laws were inadequate to address the environmental destruction caused by the rapid industrialization during 1970s. This statutory gap was adjusted by the Environmental Quality Act (EQA) in 1974, one of the earliest environmental legislations in Southeast Asia. The EQA contains sections directly related to air pollution, noise pollution, pollution on land, pollution of inland waters, oil pollution, crude palm oil, raw rubber and others (SAM, 2007). In passing the EQA, Malaysia embarked on a committed program to control industrial pollution, including: wastewater which was not previously regulated; air pollution from factories; and solid waste problems (Global Environmental Forum, 2000). To enforce the EQA, the Environment Division was established in 1975. To follow the changes in Malaysia's environmental status, the EQA 1974 has been amended four times. The Environment Division was reorganized as the Department of Environment (DOE) in 1983.

Environmental reporting procedures became a requirement for certain prescribed activities, such as infrastructure construction, housing development of an area more than 50 hectares under the Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 1987. The aim of the Environmental Impact Assessment (EIA) is to assess the overall impact on the environment of development projects to avoid costly mistakes in project implementation, either because of the environmental damages that are likely to arise during project implementation, or because of modifications that may be required subsequently in order to make the action environmentally acceptable (MOE, 2008).

The manufacturing industry has become one of the main sources of pollution in Malaysia. In order to control the industrial pollution effectively, the Environmental Quality (Sewage and Industrial Effluents) Regulations 1979, which prescribe industrial

effluent standards; the Environmental Quality (Clean Air) Regulations 1978, which prescribe levels of emission from stationary sources; and the Environmental Quality (Scheduled Wastes) Regulations 1989, which list the applicable types of waste and spell out their prescribed method of treatment, disposal, and transportation (Global Environmental Forum, 2000).

Although there are many regulations in Malaysia to safeguard the environment, pollution, unsustainable development, and health problems remain serious and become more complicated as newer industries create newer pollutants that are not addressed by the existing regulation. On top of that, the limiting capacity of the DOE also causes difficulty in effective enforcement of the EQA 1974. Rather than put all the responsibility on the shoulder of the government, environmental management could include other stakeholders such as non-governmental organization (NGO).

1.4 The Role and Status of NGOs in Malaysia on Environmental Movement

Malaysian environmental NGOs are quite numerous and actively engage the government on environmental protection and natural resource conservation issues. In recent years, the issues addressed by NGOs cover a wide range of areas, including environmental professionalism, ethical practices, advocacy, improving environmental quality, capacity building for environmental protection, community participation, environmental education and awareness, information dissemination, nature appreciation, conservation of special ecosystems, sustainable agricultural practices, policy analysis and wildlife trade monitoring (Ramakrishna, 2002).

Most contemporary NGOs are very much involved in raising awareness among Malaysians about appreciating the earth and being more committed to environmental protection. NGOs play important roles in the country's path towards sustainable development and pushing the environmental agenda forward (Ramakrishna, 2002).

A DANCED workshop in 2001 conducted a survey of NGOs to investigate whether the government recognizes and appreciates their role. There was no clear consensus. The results show that many NGOs found the government's response is usually positive in relation to environmental education and awareness-raising activities. However, it was widely felt that in relation to advocacy activities and in policy formulation efforts, the NGO role is less appreciated. Government consultations with NGOs are sometimes perceived as mere formalities, token gestures and public relations exercises (Ramakrishna, 2002).

Over the last few years, there appears to have been an increasing perception within the government that NGOs play a constructive role in the country's environmental protection efforts (Ramakrishna, 2002). This perceived shift in attitudes has been attributed largely to the growing awareness resulting from processes such as the Rio Summit and the conclusions of Agenda 21 and other international UN forums that the participation and role of civil society in decision making has significant value in contributing to society's overall well-being (IUCN, 2000).

CHAPTER 2

TOWARD ACHIEVING A SUSTAINABLE DEVELOPMENT: THE PENANG EXPERIENCE

2.1 Penang's Environmental NGOs

Penang's environmental activism can be attributed to its educated and engaged population, a legacy of its colonial status. The state's established middle class and well developed education system created a pool of talented individuals eager to help the new country develop its policies. Initially the urban, liberal middle class put its energy into working within the political parties. In the aftermath of the 1969 race riot, local activists looked outside the political parties for alternative ways to address social and economic issues.

One outcome of the race riots was the establishment of the multi-racial NGO, Consumer Association of Penang (CAP), which was headed by S. M. Mohamed Idris, a defeated candidate. (See Box 1 for more information on CAP and its role in establishing environmental NGOs in Penang). CAP defined consumer concerns broadly and included the environment among them. Even prior to the United Nations Conference on the Human Environment held in Stockholm in 1972, CAP started holding seminars and workshops on environmental issues (MENGO, 2008). In the early 1970s CAP successfully lobbied the government to introduce environmental laws and policies (Ramakrishna, 2002). In 1974, CAP and the Penang Branch of the Malayan Nature Society held the first national environmental seminar "Modernisation and the Environment" in Penang to highlight the importance of environment conservation as the country strove to modernize. The seminar resulted in the first environmental declaration for a common outlook, which included principles to inspire and guide the government and the people in Malaysia in the preservation and enhancement of the environment (Fazal, 2007).

In 1977, seeing the need for an organization focused solely on the environment and environmental issues, CAP established Sahabat Alam Malaysia (SAM). SAM's initial mission was to combat the worsening environmental deterioration triggered by the country's rapid development. Over time SAM has developed into the leading Malaysian environmental NGO. In 1983 SAM joined the Friends of the Earth International (FoEI), thus expanding its focus beyond Penang and Malaysia's boundaries.

Over the next three decades Penang continued to add environmental NGOs. These groups developed as local citizens became aware of international environmental concerns and of problems existing in their own area. In the 1980s four NGOs were established: Pesticide Action Network, Asia & the Pacific (PANAP), Third World Network (TWN), and Penang Heritage Trust (PHT). Additional NGOs and groups formed in the 1990s including Socio-Economic & Environmental Research Institute (SERI), Water Watch Penang (WWP), and Penang Inshore Fishermen Welfare Association (PIFWA). Environmental groups continue to form. In 2006 Friends of Sungai

Juru, focused on protecting the Juru River, was formed. Religious groups, most notably the Buddhist Tzu Chi Merit Society, also took on environmental issues.

As the newer NGOs developed they often sought advice from CAP and SAM. Staff from both organizations accepted positions in these newer NGOs. The links to CAP and SAM help explain the close relationships among the Penang NGOs. Nevertheless, for the most part the Penang environmental NGOs work independently in conducting their core activities. When the need arises they will cooperate with each other to make a more effective campaign.

As the new millennium approached another dimension was added as the relationship between NGOs and the government shifted from antagonistic to cooperative. Friends of Sungai Juru started working closely with the local Parliament Member and the Residents Association (Rukun Tetangga) on the river conservation and environmental education activities. In 1997 Sustainable Penang Initiative (SPI) brought NGOs, government officials, and business representatives together in a series of round tables to provide input into the state's strategic development plan. Three years later Penang's Local Government Consultative Forum established the Penang Environment Working Group (PEWOG), which includes representatives from NGOs, government agencies, and private sector.

2.2 Penang's NGO's Activities Beyond Penang

Penang's environmental NGOs have evolved into a well organized and networked political force. Although the majority of NGOs focus on local issues as Figure 2.1 shows others have developed specialized interests at the national, regional, and global levels. For instance, TWN works on emerging issues in developing countries and global issues such as climate change, trade, and biodiversity. PANAP focuses at the regional level to advocate for appropriate use of pesticides and agricultural practices. SAM, an affiliate of Friends of the Earth, is actively involved in Malaysian environmental conservation and serves as watchdog against unsustainable development.

Normally local NGOs in developing countries have very limited resources and capacity. Consequently, they tend to address only local issues. We attribute Penang's environmental NGOs broader vision and their willingness to take up global and regional issues to the community's well-read and active population. The population, and consequently the NGOs, is aware of environmental issues and campaigns that extend beyond any one community's boundaries. For example, PANAP originally focused on local pesticide problems. Since problems associated with both manufacture and use of pesticides cross boundaries, PANAP could only make real changes in Penang through collective action. It joined networks of foreign NGOs and groups to create awareness about pesticides, to call for bans on the export of the dangerous pesticides to developing countries, and to investigate other pesticide-related problems in developing countries.

Box 1. CAP, SAM and TWN – NGO family

Consumer Association of Penang (CAP) was one of the early organizations of its kind not only in Malaysia but also in the region. The momentum to form the Consumer Association of Penang (CAP) came with the racial riots following the election in May, 1969. The riots both freed up the time of the unsuccessful UMNO candidate, S.M. Mohamed Idris, Although CAP was founded in 1969, its official presence was first felt in the early 1970's after the introduction of the Malaysian New Economic Plan (NEP). CAP gave birth to Sahabat Alam Malaysia (SAM) in 1977 and later to the Third World Network. CAP is also a sister-organization to the Fishermen Network which focuses on biodiversity and related trade issues.

During the first decade a large group of passionate and idealistic young people joined CAP. Some big names, such as the former Governor of Penang State, worked with CAP as well highly educated volunteers who had graduated from internationally recognized universities, such as Harvard and Yale. One of CAP's major contributions to Penang's NGO was by setting up training sessions on environmental regulations for its members.

The establishment of SAM opened a new window for addressing environmentally related issues in Penang and later throughout Malaysia. SAM's work is unrestricted by political or geological boundaries. SAM coordinates the Asia-Pacific People's Environmental Network (APPEN), a coalition of over 300 non-governmental organizations. Since 1983, APPEN's main objectives have been the collection and dissemination of information pertaining to development and environment issues in this vast region.

CAP differs from its counterparts in the USA or the UK. CAP's western counterparts are mainly price and safety oriented. Whereas, CAP tries to cover all needs of consumers in a more holistic manner. CAP's duty is not only to protect the consumers but also to educate them on being responsible consumers. This includes educating consumers on lifestyle, how to use products, and how to be efficient users. This holistic way of approaching the issues is the main reason CAP expanded its network by giving birth to more specialized NGOs.

CAP is currently working in different fields such as; consumer research, rural and community activities, education and legal based activities in relation with the community. Through the work of Martin Khor and the Third World Network (TWN), CAP has become tied to a "Southern" perspective on global trade. CAP's international stance is but one of many voices in a wider anti-globalization movement, and in redirecting criticism from national to international governance (Hilton, 2007).

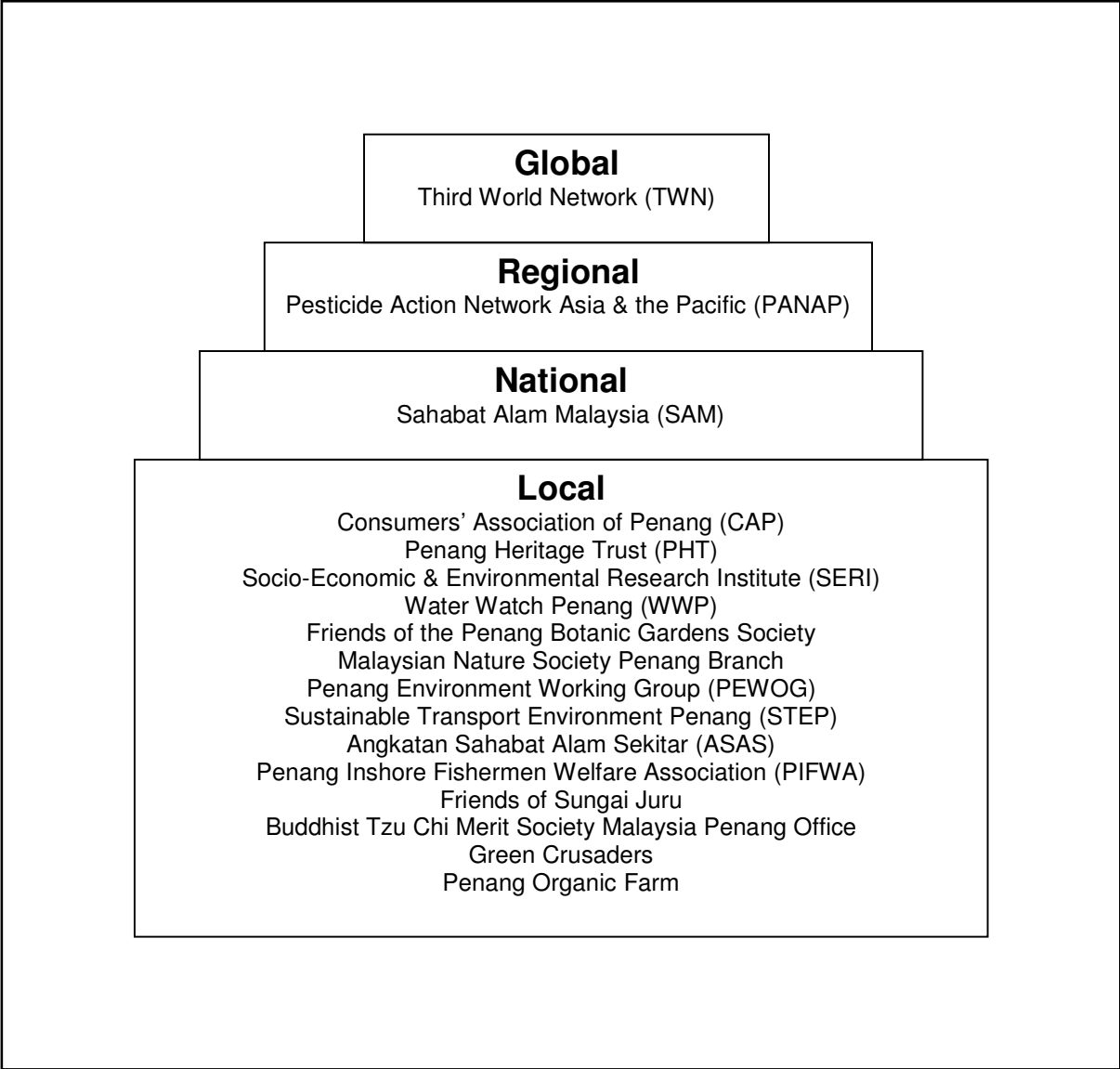


Figure 2.1 Penang's Environmental NGOs by regional focus

Among the large numbers of organization working at both the state and local levels is PIFWA, which is planting mangroves along the coastal area for the recovery of biodiversity and coastal protection (see Box .2)

Box 2. PIFWA and Indian Ocean Tsunami 2004

The birth of Penang Inshore Fishermen Welfare Association (PIFWA), a community-based nonprofit and independent organization, in 1994 was in response to the growing coastal development and resource depletion. PIFWA's objective is to achieve solidarity among inshore fishermen and voice issues that affect their livelihoods. PIFWA promotes traditional and sustainable fishing practices and prudent management of the coastal environments, mangrove habitats, and river ecosystems.

In the late 1990s, PIFWA began a campaign to replant mangrove trees in Kuala Sg.Pinang, Nibong Tebal. Although many people shrugged it off and thought that it served no purpose, the fishermen continued planting the mangrove (Bernama, 2008). They replanted mangroves in many of the cleared coastal areas. With the assistance of SAM and CAP PIFWA shared their mangrove planting experience with other fishermen communities in Malaysia. In general their efforts were not appreciated by the local communities and the authorities. Sometime, they were treated as "trouble makers" when they raised the issue of the coastal management to the authorities.

The 26 December 2004 tsunami taught Malaysians the importance of conserving the natural environment and in turn changed PIFWA from trouble makers to heroes. The Indian Ocean tsunami hit Penang state causing casualties and destruction to many properties and facilities along the coastal area. Areas protected by the mangrove forest were undamaged or experienced less destruction. The PIFWA was praised for its foresight (Bernama, 2008). The Prime Minister announced a national plan to replant the mangrove forest along the Malaysian coast. Many government departments, the private sector and non-governmental organisations (NGO) provided support to PIFWA to continue its effort. PIFWA was awarded more funding for mangrove planting from the international donors, local authorities, and private corporations.

2.3 Three Stages of NGO-Government Relations

The evolution of Penang's environmental NGOs can be linked to the changes in socio-economic conditions, increased environmental awareness, the maturation of both Malaysia's NGOs and the government sector, and a willingness to adopt new strategies. We have classified the engagement of environmental NGOs into three stages; capacity building, advancing cooperation, and inter-sector collaboration.

The capacity building stage started with the formation of NGOs, which focused on the environment. These NGOs fought against serious industrial pollution and environmental injustice. Their major strategies were lobbying, developing media relations, and using the courts. During this period the NGO - government relationship was antagonistic. Key features of this stage are illustrated in Case 1, which describes how Penang's NGOs

organized a campaign against a multinational corporation facility responsible for creating toxic wastes.

The advancing cooperation stage started as Penang confronted the impact of rapid development, specifically mega-projects. The NGOs entered this stage with more experience; they were better organized and more professional. The most notable achievement at this point, in addition to stopping a mega-development project, was that the Penang NGOs created a formal collaboration and for the first time met with state officials. Key features of this stage are illustrated in case 2, which describes the NGO collaboration and its strategies to stop the proposed development of Penang Hill.

The inter-sector collaboration stage marked a radical departure from the usual practice of state and local governments. Instead of ignoring NGOs and the public in development planning, Penang's governments developed mechanism to consult with NGOs, other grassroots groups, and businesses. Cases 3 and 4 respectively discuss the SPI, a time-limited series of roundtables, and PEWOG, an on-going group to consult on environmental planning and to work on environmental matters. For the NGOs, this stage signals their legitimacy in the eyes of the government and it also expanded their opportunities to participate in planning and learn from their colleagues in other sectors.

For each stage we have selected an illustrative case. We draw on the case to examine the major problem, the NGOs' strategy to handle the problem, and the outcomes. Each case is summarized by presenting its implications for understanding the progress made in addressing environmental issues. At each stage we mention the status of Malaysia's economic development. Throughout the entire period Malaysia was encouraging investment, which often had negative environmental consequences. We do not assume that the economic trends at any stage motivated the specific strategy. Rather we assume that NGOs chose to focus on issues that were appropriate given their capacity. Similarly, international trends, especially in respect to environmental activities, may have influenced what the NGOs focused on and what they did at any one stage.

2.3.1 NGO Capacity Building (1969-1987)

The characteristics describe the early years of Penang's NGOs: a focus on environmental degradation, strategies that brought the NGOs into confrontation with government agencies, and a period of NGO capacity building. The first NGOs primarily focused on environmental pollution, forest clearing for urbanization, and other threats to Penang's habitat.

During this time Penang was experiencing and suffering from the first wave of industrialization. In 1976, CAP reported the effects of industrial pollution on a fishing village at the mouth of the Sungai Juru. All forms of river life were dead as the result of industrial waste from a nearby factory. The fishermen and CAP took river samples to government offices and alerted the media to the conditions in the river (SAM, 1984). At the same time another river, Sungai Pinang, on Penang Island was being heavily

polluted. As a result people were afraid that there would be a Malaysian version of Minamata disease, which results from mercury poisoning (Fazal, 2007).

In the 1980's, the Look East Policy of the Malaysia government was intended to create an economic development miracle similar to the robust economies of Japan and South Korea. The Malaysian government mindset for development and industrialization was driven by economics. This mindset encouraged the Multinational Corporations (MNCs) to transfer their technologies and infrastructures to Malaysia while avoiding environmental and social regulations. Malaysia offered the additional advantages of tax incentives, relatively cheap labor, and political stability. As a consequence, the MNC were "exporting pollution and dirty industries" to Malaysia and contributing to its serious environmental deterioration.

The government's justification was simple. Malaysia was achieving economic growth. "Trouble makers" like the NGOs were seen as obstacles to this growth and could not be tolerated. One might argue that NGOs selected confrontational strategies because they were the only effective way to oppose government policies. Alternatively, one might argue that the environmental NGOs strategies, such as demonstrations and court cases, exacerbated tensions between government and NGO. In either case the lack of NGO-government relations prevented the NGOs from being co-opted and gave them an interval within which to build their capacity. During this period they developed their reputations, solidified their bases of support, and honed their political skills.

Case 1: Battling the Creation of Toxic Wastes in Perak

One of the most important cases in that period of time was a case of industrial pollution in a former mining and farming area. The story started in 1979; when a MNC set up a joint venture company with a Malaysian company. The MNC had been attracted to Malaysia by a series of facilities and incentives offered by the Malaysian government.

The joint venture's purpose was to extract rare-earth from monazite. Rare-earth elements are incorporated into many modern technological devices, including superconductors, miniaturized magnets, electronic polishers, refining catalysts and hybrid car components. Based on the chemical and technical course of action in extracting rare-earth; this process results in generating radioactive wastes. The joint venture selected a site in Perak, which borders Penang. The Perak State Government agreed to take possession of the wastes. The state had identified a site where it planned to develop a storage dump for the radioactive wastes.

In 1982 SAM conducted a survey to assess the status of the project. Its findings shocked the nation. The survey found no facilities for dumping the radioactive wastes. They also found that the local authorities did not know that toxic wastes were being produced. SAM conducted later studies which found that the company had not conducted environmental impact assessment. Furthermore, these studies reported worrisome information about the health of the area's residents. Blood examinations conducted in 1987 and 1989 on area children found that about 39% of them suffered

from a triad of mild lymphadenopathy, congestion turbinate, and recurrent rhinitis. Concerns further increased when two children, ages 5 and 7, were diagnosed with acute lymphoblastic leukemia in 1989.

The local parliament member, representatives of resident committees, and SAM appealed to the government and Sultan of Perak (King of the Perak state) to withdraw the plan for the storage site. Their efforts were met with silence (SAM, 1984). Eventually the plan to build the storage site was withdrawn, but a new storage site was constructed in another location. Prior to building the storage site, the radioactive waste was stored at a temporary open site near the facility. Investigation by SAM at the temporary site found that the highest radiation level was 87.6 times above the permissible level (SAM, 1984). A visiting scientist affiliated with CAP, Dr Edward P. Radford, highlighted the concern that airborne radiation exposure could affect local residents who lived within one kilometer radius from the factory (SAM, 1984).

The combination of the above elements resulted in complaint being filed with the state's High Court and motivated local residents to hold a large demonstration in front of state government buildings. The complaint was filed by local residents, CAP, and SAM. It addressed the harmful effects of radioactive waste on residents' health. The litigants demanded the termination of the plant's operation, clean-up of the radioactive materials, and payment for the damages. The first court case ended with an order that the company suspend its operations.

Two years later the Atomic Energy Licensing Board (AELB) granted a license for the joint venture to resume its operation. This action was taken even though the legal action against the company was still in progress. The reaction was immediate. With assistance from SAM and CAP and other environmental NGOs local residents formed and funded their own NGO, the Perak Anti-Radioactivity Committee. The residents and the NGOs used their own contacts and networks to highlight the issue internationally. The coalition of SAM, CAP, and Perak Anti-Radioactivity Committee also worked closely with media to publicize the resumption of operations. Based on the importance of the issue and the global publicity a campaign to stop operations was started in the MNC's home country. A signature campaign was launched which damaged the MNC's reputation and resulted in a letter of reprimand from its home country's government.

In 1994, the MNC shut down its facilities in Malaysia claiming difficulties in obtaining local monazite and competition from rare earth producers in other countries, especially China. The decision may also have been motivated by the virulence of the local opposition to the facility, a need to save the MNC's face or the highly negative public opinion towards the Malaysian operation. Despite the attention to the case in Malaysia and internationally, it has not had a concrete resolution. The company denounced all accusations due to the lack of conclusive evidences and no compensation has been paid to the residents.

This case illustrates the key characteristics of the capacity building stage. First, the involved NGOs were young. As they were developing their own identities they had

taken on an issue, industrial pollution that required technical expertise and international networking. They required external assistance to supplement locally available technical knowledge, to create international awareness, and to pressure the MNC in its home country. The contacts and the knowledge of the Penang NGOs facilitated in getting the needed external assistance possible. The NGOs' success in obtaining external resources enhanced their reputation and established contacts that could be used in the future.

Second, two strategies were especially notable in enhancing the reputation of Penang's environmental NGOs. Both strategies demonstrate the NGOs pre-existing capacity to tap into technical and legal resources. First, SAM was able to gather evidence that the storage dump had not been sited, that local authorities had no knowledge of toxic risks, and that the population's health was at risk. Second, the filing of a complaint with the High Court utilized the legal capacity of the NGOs. These strategies were supplemented by the more traditional, less resource dependent strategies of media relations and public demonstrations.

Third, the NGO-government antagonism may be partially attributed to the unequal power of the two groups. A young NGO may have trouble getting government access, its members may be suspicious of friendly relations with government, and it may have a predisposition to undertake familiar, confrontational strategies. On the other hand, governments may not see an advantage to working with NGOs that do not have an established reputation or power. They may not even think to contact the NGOs for advice or consultation. This case involved two other factors that drove NGOs and government apart. These factors were unique to the times and the context of the case. The case started after the end of the Vietnam War, a time when mass demonstrations were a popular strategy. Demonstrations as a form of civic engagement are problematic for any government, insofar as they can potentially turn into serious civil disturbances. Also, the industrial pollution and the demand for resolution occurred after the offending facility was in operation. Thus, there was little, if any, room for discussion with government. The government's strong pro-growth agenda made discussions less likely. On the other hand, the government's antagonism may have benefitted the NGOs by giving them a chance to develop their reputation and skills.

Fourth, the NGOs were only partially successful. The NGOs brought the case to court, had a hearing, and initially received a favorable decision. The facility closed. How much of the credit goes to the pressure on the MNC through the NGOs' network can only be surmised, but the pressure and even possible further litigation were probably contributing factors. The residents have never received compensation. The relicensing of the plant might be considered a failure. But the relicensing decision led to a more aggressive and largely successful campaign. The decision and the continued activity of the NGOs underscore the importance of having a continuing presence and being able to adapt and seek new strategies and avenues to solve a problem.

2.3.2 Advancing Cooperation (1988 - 1996)

By the end of 1980s, the Penang environmental NGOs were more mature and professional. They had a better understanding of environmental issues and had established a large network to work on problems whether they were local or crossed state or national boundaries. The social and economic conditions of Malaysia had also greatly improved. The population as a whole was better educated and the country was moving toward a double digit economic growth.

In 1991 the prime minister created Vision 2020 with the goal that Malaysia would be a developed country by 2020. As figure 2.2 shows the country was well on its way. Spurred by foreign and domestic investment the economy was transformed; it experienced broad diversification and sustained rapid growth. In six of the eight years between 1988 and 1996 Malaysia experienced over 8 percent growth in GDP. Manufacturing grew from 13.9% of GDP in 1970 to 30% in 1999. Agriculture and mining which together had accounted for 42.7% of GDP in 1970, had dropped to 9.3% and 7.3%, respectively by 1999 (Paul Blustein, 2001).

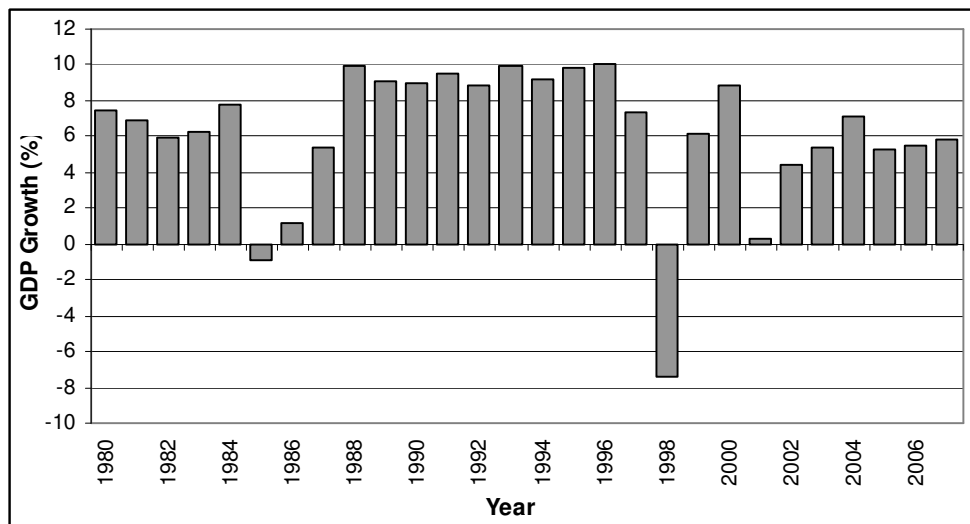


Figure 2.2 GDP Growth (%) of Malaysia 1980-2007 (Data source: International Monetary Fund)

As part of its economic policies government encouraged mega development projects. Just prior to the start of this period, Penang Island's economic development was enhanced by the building of the 65-storey Kompleks Tunku Abdul Rahman (KOMTAR) Tower, which opened in 1986, and the opening of the Penang Bridge in 1985. The Penang Bridge, the third longest bridge in the world, links Penang Island to the Asia mainland. The Penang Hill case, discussed here, is an example of the type of mega-projects the government was encouraging. A project initiated about the same time as the Penang Hill proposal was Putrajaya, which is a 4931 hector site developed to house Malaysia's administrative offices

Case 2: Save Penang Hill Campaign

Four characteristics describe this period of NGO development. First, NGOs were more proactive and challenged a government proposal as soon as it was made public. Second, they formed a formal coalition which brought together diverse participants. Third, they modified their strategies and relied more on media and less on demonstrations. Fourth, they presented a strong alternative impact assessment. Fourth, government officials met with NGO representatives.

Penang Hill is the main hill range of Penang Island and a major tourist attraction. The hill, in a forested catchment, reaches a height of 2722 feet (830 meters), providing residents and tourists alike a respite from the island's hot climate. A historical mono-line railway transports visitors from the bottom of the hill to its peak. At the peak visitors can enjoy a panoramic view of Penang Island. Developers have eyed Penang Hill with its combination of a cool climate, a historic monorail, a forested area, and a panoramic view.

In September 1990, the Penang State government signed a Memorandum of Understanding (MoU) with a private developer to initiate the Penang Hill Development Plan. The developers would be permitted to build hotels, entertainment centres and shopping complexes in an area of approximately 900 hectares stretching along the whole length of Penang Hill. A major portion of the Penang Hill Development Plan included legally protected areas. The proposed development area included habitats of priceless unique species of flora and fauna. Plus the plan would destroy the natural beauty of the hill.

In signing the MoU the state government had failed to consult with the public. Once the plan was announced it was immediately met with public outrage. A coalition of NGOs and activists formed to lead the campaign against the plan. This coalition named itself the Friends of Penang Hill (FPH). SAM and CAP were joined by 13 other NGOs, including the Malaysian Nature Society (MNS), Environmental Protection Society of Malaysia (EPSM) and Aliran, an organization of human rights activists.

FPH led the wave of protests that followed the announcement of the plan. The coalition organized a massive campaign throughout the island to pressure the local government to consider the environmental impact of the development plan. FPH organized a petition campaign, which received 40,000 signatures. Aided by local researchers FPH analyzed the developer's proposal. The FPH study provided a comprehensive study on the value of Penang Hill and presented an alternate development plan which considered the environmental and social impact of developing Penang Hill.

This campaign resulted in a rare off-the-record meeting between the representatives of FPH and the State Executive Council. Two Environmental Impact Assessment (EIA) reports had been submitted by the developer, however, after the public debate and strong campaign against the plan, they were rejected by Department of Environment. In September 1992 the state government dropped the plan. Two factors seemed to directly

lead to the plan's being abandoned: the rejection of the EIA reports and a change in the state government's leadership. The new Chief Minister, Dr. Koh Tsu Koon, was a member of CAP and MNS.

There are two key features to this case. First, the FPH were successful in completely stopping the project. Penang Hill remains unspoiled and undeveloped. Being able to stop the large development project seemed like a miracle and a big success for the environmental NGOs. The importance of the campaign can be inferred by the publicity it received from mainstream western media such as the *Australian Financial Review* and the *Los Angeles Times*. Success might not have been achieved if the project was located in other parts of Malaysia, where the NGOs have in general failed to secure significant changes in the government policy (Harding, 1998). Second, the NGOs formed a coalition with each other, as opposed to simply sharing information and coordinating activities

Four factors may have led to the coalition's success. First, the NGOs were better organized, more professional, proactive, and diverse. They were able to build on the experience of CAP, SAM, and other NGOs in trying to influence policy. FPH mobilized a diverse group of local NGOs. The NGOs were diverse in respect to their backgrounds, missions, and membership. This diversity helped the campaign to effectively reach a wider range of Penang residents. The support of media, especially newspapers, played a vital role in the campaign's success. In addition the FPH provided a platform for different parts of the society to meet and get together with a common objective, saving Penang Hill.

Second, the campaign started before the pollution or destruction occurred, which may have enabled the government to back down at less cost. Although there were demonstrations, the NGOs relied more on media support.

Third, the alternative development plan was detailed and thorough. It not only served as a critique as in case 1, but it provided an alternative way for the government to view Penang Hill and its development. The plan relied heavily on local expertise. It cited facts and arguments contributed by the local NGOs. The evidence and analysis were persuasive. It was impossible for the local authorities to write off the plan as work of outsiders who were unaware of Penang's culture and practices.

Fourth, the government may have been more willing to meet with the NGOs because they were now more powerful. CAP, SAM, and MNS were over twenty years old and had established reputations and contacts. The FPH had generated widespread public support and international interest, which in combination with the newspaper coverage and the detailed report made the NGOs harder to ignore.

2.3.3 Collaboration Stage (1997-Present)

The relationship between the environmental NGOs and government markedly changed in the years following the successful Save Penang Hill campaign. The election of a

Chief Minister who was a member of CAP and MNS suggested that NGOs would receive a warmer reception from government. Although FPH ceased operations, it had set precedence among the participating NGOs. They had developed a formal collaborative relationship that reached across the island's social and economic boundaries. Their report had established the competence and professionalism of the sector.

From 1969 onward Penang's environmental concerns mirrored those of the international community. International conferences, natural disasters, toxic accidents, and deforestation were turning the world's attention toward sustainable development. The problems of sustainability are intractable and diffuse. Unlike the Penang NGOs' battles of the earlier period sustainability problems cannot be solved by shutting down a facility or stopping a plan. Nor do the problems pit "good guys" against "bad guys". Thus, governments can engage in policy discussions without being put on the defensive. Although the growing capacity of Penang's environmental NGOs and a sympathetic Chief Minister helped foster the collaborations, the nature of the environmental problems no doubt made NGO-government collaborations easier.

The creation and activities of collaborations created new opportunities for Penang's environmental NGOs. They could more easily get the ears of government officials and learn more about their plans and their perspective on environmental issues. Among the collaborations that developed one was established by a state-sponsored NGO, another by the State of Penang, and a third by a public university, Universiti Sains Malaysia (USM). SERI, Social-Economic Research Institute, was established by Penang's state government as a think tank. One of its initial projects was planning for the Sustainable Penang Initiative (SPI). The planning started during the peak of the Asian economic development, while Penang was enjoying a massive flow of cash and foreign investments. The state was also experiencing the problems associated with dense urban areas, such as traffic jams and social ills.

Three years later Penang State Government established another collaboration, the Environmental Working Group (PEWOG). PEWOG was expected to be an internationally recognized environmental body which would assist the Penang State Government and the Malaysian Federal Government to achieve a clean, safe living environment for the people of Penang and Malaysia. Cases 3 and 4 respectively discuss SPI and PEWOG. A third collaboration, initiated by USM, was the Regional Centre of Expertise (RCE) Penang on Education for Sustainable Development RCE was established to encourage NGOs and individuals from different disciplines to harmonize their activities towards sustainability. RCE aspires to achieve the goals of the UN Decade of Education for Sustainable Development (DESD, 2005-2014), by translating its global objectives into the context of the local communities in Penang and the nearby region (see Box 3 for more information on RCE)

Box 3. RCE Penang

On 29th of June, 2005; the United Nations University-Institute of Advanced Studies (UNU-IAS) selected seven pioneer Regional Centers of Expertise to spearhead the Decade of Education for Sustainable Development 2005-2014. Universiti Sains Malaysia (USM) was chosen as the host for RCE Penang. It was first RCE in Southeast Asia and is still the only one in Malaysia. RCE Penang's purpose is to create an educational framework to ensure sustainability in the region.

There is a high level of concern and awareness on environmental issues among the communities. A variety of programs and activities are in place to address environmental awareness and the social and economic aspects of sustainable development. While these awareness-raising programs are very important, a more comprehensive education-based approach is still needed. The mission of RCE Penang is to build capacity to deliver, support and generate innovative education for sustainable development (ESD) in Penang. This will be achieved by working with partners and by developing a coordinated communication and dissemination framework for regional ESD projects and programs.

RCE Penang has developed a set of goals to motivate higher education institutions to spearhead regional ESD awareness and activities, to coordinate and compile current ESD practices from across Penang and the neighboring states, and to share and generate regional ESD good practices.

While Penang has a strong, informal environmental network, RCE provides a structure to link interested parties and bring them together to work on education for sustainable development. Its uniqueness and strengths lie in its direct link to international movements for sustainable development. Currently, the official collaborators in RCE Penang are; Association of Science and Mathematic Education Penang, Malaysian Nature Society, Penang Environmental Working Group (PEWOG), SEAMEO RECSAM, Socio-economic and Environmental Research Institute (SERI), Sahabat Alam Malaysia (SAM), Taiping Peace Institute, World Wildlife Fund (WWF), Water Watch Penang, and Don & Mylene.

Case 3: Sustainable Penang Initiative (SPI)

The Sustainable Penang Initiative (SPI) was organized by the Socio-Economic Research Institute (SERI) together with the Penang State Government, other NGOs, academic and local businesses. The rapid economic growth of Penang and the island's overall physical development were clearly incompatible with the core elements of sustainable development. SPI's main purpose was to achieve a holistic development plan for Penang. SPI was primarily defined by its process; it was to hold "process consultations" with stakeholders. The purpose of these consultations was to involve the

community in a process to develop sustainability indicators to monitor Penang's development.

SPI consisted of a series of roundtables and meetings. Representatives of stakeholder groups met to discuss specific areas of interests. These areas were: Ecological Sustainability, Social Justice, Economic Productivity, Cultural Vibrancy and Popular Participation. The roundtable topics were designed to underscore Penang's desire to reach holistic solutions to sustainability rather than focusing on a single issue. The roundtable participants included representatives of NGOs, neighborhood associations, grassroots groups, representatives of government, and the business sectors. Except for the sessions on the environment and the economy participation by government departments and businesses was minimal (Tan Pek Leng, undated). More than 500 people participated in the SPI roundtables and meetings. In addition there were three meetings between members of the SPI steering committee and top government officials. At the end of the process the SPI round tables had identified 40 indicators. They were: environment (14 indicators), Community (12 indicators), Economy (6 indicators), Culture: (4 indicators), and participation: (4 indicators). Each indicator included a paragraph suggesting how the community could develop and monitor the indicator (Toolkit for Citizen Participation). The indicators were presented at the Penang People's Forum, an all-day meeting attended by senior leaders of the state government, businesses, NGOs, and the general public (Tan Pek Leng, undated). The results were published in *The Penang People's Report 1999*, which was widely disseminated throughout the community.

What made SPI unique in Malaysia was that it brought together different sectors of the community with the common goal of guiding Penang's development. Historically government development planning process in Malaysia had largely ignored public input. The SPI round tables, the smaller meetings with government leaders, and the all day forum gave the public a voice where they were heard by and deliberated with each other and government officials. SPI changed the dynamic of citizen-government relations. It was one of the first major cooperative relationships between the government and the civil society in Malaysia. The SPI initiative has served as a model to other governments to bring NGOs and other stakeholders together to address problems.

Although SPI was time-limited its impact was longer lived. The indicators and the accompanying paragraphs opened the doors for the public to evaluate the development process; however, the lack of funding for research to develop and track the indicators lessened the potential impact (Tan Pek Leng, undated). SPI round tables motivated the formation of Sustainable Independent Living and Access, Sustainable Transportation Options for Penang (STEP) and Water Watch Penang (WWP).

Case 4: Penang Environmental Working Group (PEWOG)

Another outgrowth of SPI was the Penang Environmental Working Group (PEWOG). The State Local Government Committee formed PEWOG as a consultative, planning and coordinating environmental body. PEWOG members were drawn from government,

NGOs, business and academia. The government participants included the municipal councils of Penang Island and Seberang Perai, the Departments of Drainage and Irrigation (DID) and Environment (DOE). Among the participating NGOs were CAP, SAM, and MNS.

PEWOG was intended to be a focal point for the community, government, and business to address environmental issues. Among the identified issues PEWOG was expected to address were local government, environment, agriculture and eco-tourism. PEWOG has initiated and implemented programmes on different aspects of waste management - community recycling, solid wastes, household hazardous waste, computer recycling, disposing of electronic equipment, mercury use and disposal. In addition PEWOG carries out on-going environmental education.

Cases 3 and 4 can be considered from several view points. First, the NGOs were active players in the deliberative processes. By 1997 three key NGOs (MNS, CAP, and SAM) each had over 25 years of experience. They had built their internal capacity, implemented strategies to advance their agenda, and engaged in cooperative relationships from time to time. They were well suited to articulate a position on a wide range of issues. They were also sufficiently well established to avoid being co-opted by government. The NGOs use of research in the previous stages developed their skills in framing issues to encourage a favorable climate for their proposals.

The cases do not make clear how the NGOs specifically benefitted from the collaborations. Nevertheless, we can assume some benefits. Collaborations offer opportunities for participants to add to their own network of contacts. They can become better informed about government perspectives, plans, and policies. They can learn how other organizations operate and solve their own problems. Together participants may come up with innovative solutions to irksome problems.

Second, the process went beyond simply giving the public a voice in government planning. Participating officials heard how the public saw the government, its needs, and its performance.

Third, as we noted earlier SPI and PEWOG were expected to address problems without a clear solution. Such problems are also called "wicked problems," because of their complexity, elusive causes, and lack of effective solutions. Such ambiguous problems can encourage a government to involve different stakeholders and to encourage dialogue. The ambiguity of effectively assuring sustainability meant that the government had nothing to lose by bringing stakeholders together and listening to them. Similarly, NGOs and other stakeholders had nothing to lose by participating.

Not clearly developed in these cases is the limited success of the collaborations. One measure of success has been that the SPI model has been adopted by other Penang initiatives. The formation of SILA, STEP, and Water Watch suggest that SPI in particular helped participants identify unmet needs and to join together to work toward solutions.

The lack of on-going funding dampened the enthusiasm generated by SPI. There were insufficient funds to conduct the research to develop and track the 40 indicators. Similarly PEWOG seems to have experienced funding difficulties. PEWOG itself may have run into other problems that have not been documented. Stakeholder can easily be brought together to participate in roundtables. It is much harder to maintain the sustained commitment to create and implement programs. Another problem, which has been underdeveloped in these cases and the other cases, is that the NGOs represent the English-speaking middle class. SPI in particular tried to encourage Malay and Chinese involvement by sponsoring round tables for Malay and Chinese speakers, but these seemed to have limited success. Nevertheless, as we discuss in chapter 3 inter-sector collaborations are difficult and developing a climate for success may take a long time. After all it took middle-class, competent NGOs over 25 years to develop a positive relationship with government.

2.4 Lessons From the Cases

The cases have developed three themes. First, and this seems obvious, NGOs need a period of time to develop their internal capacity and to develop and test their advocacy strategies. What makes Penang somewhat unique is that it had an educated population that had already develop advocacy skills through its participation in political parties. Similarly, the Penang NGOs had the advantage of including professionals with legal and research skills. These skills contributed to their initial successes. Both their middle-class background and their professional skills suggest that collaboration with government would not get bogged down in social class and educational differences.

Second, the NGOs adopt strategies depending on the nature of the problem. The confrontations associated with cases 1 and 2 are not inevitable, but confrontation may be the only practical strategy in the absence of sympathetic government contacts. Plus, in both cases the government may have felt unable to side with the NGOs and seem to betray the MNC or the developer that it had negotiated with.

Third, inviting the NGOs to participate in the collaborations described in cases 3 and 4 demonstrate that the NGOs were seen as credible. Inviting an NGO to participate in SPI or PEWOG also signals that the NGOs are relevant. As we have mentioned participating in collaborative discussions inevitably offers an NGO benefits, even if all it learns is more about the community, that is meeting other stakeholders, learning more about current issues and plans to address them.

In Chapter 3 we will examine these cases drawing on existing research on collaboration and NGOs-government relations. Chapter 3 will put the lessons learned in a broader context and suggest directions for further research.

CHAPTER 3:

INTERPRETING THE PENANG EXPERIENCE: APPLYING THE LENS OF COLLABORATION AND GOVERNMENT-NGO RELATIONS

A theme developed throughout chapter 2 was the importance of relationships among environmental NGOs and later with Penang's state and local governments. The theme arose from interviews held with the principals, information provided by the Friends of Sungai Juru, and published materials. We conducted lengthy interviews about the environmental NGOs, their activities, and reasons for success with informants from the Consumers Association Penang (CAP), Sahabat Alam Malaysia (SAM), Pesticide Action Network, and Penang Environmental Working Group (PEWOG). The theme of government-NGO relations consistently dominated the cases. Each case was shaped by Malaysia's national policies and directly involved a state government. All informants shared their opinions about government policies, but only one person discussed relationships between government and NGOs at length. His comments confirmed the power struggles that often occur within a collaboration.

The research literature links the Penang experience to a broader, established research literature. The literature raises questions that the NGOs, other policy makers or researchers may want to explore to improve the effectiveness of future sustainability initiatives. Both literatures form a body of knowledge that cuts across disciplines, time, problems, and locations. They provide a context to suggest unique aspects of the Penang cases and aspects that have global applications.

3.1 Government-NGO Relations

In the Penang Hill and toxic waste case the government and NGOs were adversaries, and in the SPI and PEWOG cases they worked together. In chapter 2 we implied that the change in relationship was due to the specific problem and the government's perception of the legitimacy of NGOs. A study on government-NGOs relations (Najam, 2000) supports the importance of the issue at hand. As for the changing government perception two factors seem important. First, the maturing of the government, as it began to feel less fragile and less easily threatened. Second, international trends and conferences, such as those sponsored by the United Nations, legitimized NGOs as an important resource in developing and implementing social policies.

Three themes included in the literature on NGO government relations are political space (Shigetomi, 2002), the flow of resources (Anheier, 2005), and the interaction of goals and means or strategies for achieving them (Najam, 2000). Political space refers to the space within which a NGO can operate. Malaysia's regulations affecting NGOs have been described as "restrictive," "strict" "repressive," and "stifling" (Kaneko, 2000; Weiss, 2003). While the environmental NGOs have had confrontation relations with government they were not directly threatened with being declared illegal and prosecuting its members. Consequently, we can ignore this literature, even though it is

important to Malaysian NGOs, especially those advocating human rights. The resource flow literature describes the flow of resources from government to NGOs. The SPI and PEWOG cases involved some resource issues; we will briefly discuss.

Najam's framework provides a useful platform for examining the relationship between the environmental NGOs-government. Najam, a social scientist, built his framework based on cases from throughout the world. He created four categories: confrontation, cooperation, co-optation, and complementarity. His discussion of confrontational relations describes the Penang Hill and toxic waste cases exactly. Confrontation should occur if the NGO and government have different goals and prefer different strategies. In both cases the government's goal was economic development and its strategies were pro-growth, pro-industry. The NGOs goals were slightly different in each case. In the toxic waste case they wanted to prevent an unhealthy environment. In the Penang Hill case they wanted to preserve the natural environment and an important part of the island's legacy. In both cases the strategy was to demand rolling back the government's actions that is, closing the facility and preventing the development.

Cooperation occurs where the means and ends of the government and NGOs are in sync. Complementarity occurs when the ends are similar and the strategies are not. This most often occurs where NGOs perform services that government is unwilling or unable to perform. Cooptation occurs when the government and NGO share similar strategies but prefer different goals. Najam (2000) argues that what is often labeled as cooptation is the normal push and pull that occurs as governments and NGOs try to influence each other. He postulates that co-option should be reserved for situations where power asymmetry leads either the government or the NGO to try to change the goals of the other. The SPI and PEWOG cases fall into the cooperation category. Both the government and the NGOs had common ends and mean. They relied on roundtables and inter-sector working groups to allow citizen input. RCE Penang should develop into a complementary relationship. Both the government and RCE Penang have a common end of sustainability. One of RCE Penang's roles is to educate the public on the need for sustainable development.

Najam (2000) argues that his framework, while incomplete, realistically describes NGO-government relations. It does not assume that governments have a monolithic relationship with NGOs. Different NGOs may have different relationships with the same agency. An NGO may have different relationships with different governments and government agencies. For example, CAP had ties with Ministry of Consumer Affairs at the same time it was confronting Penang's state government. An NGO may confront an agency on some issues while working with them on others. His framework is consistent with our observation that the relations described in the cases were most likely directly affected by the issue at hand.

Although we labeled the government-NGO cooperative, the issue of funding should not be ignored. SPI and PEWOG were both funded by UNDP. As it is common once the funding ended the projects failed to thrive. The problem seems to lie in the tendency of

governments and NGOs, both in developing and developed nations, to aggressively seek funding. They may identify sources of later funding only if a donor requires it.

3.2 Understanding Collaboration among Penang's Environmental NGOs

3.2.1 Penang's Environmental Network

Networks link organizations and individual together. Networks serve as a source of information and help which members may tap as needed. Penang's environmental NGOs have formed a long-lived network connecting local, national, and international NGOs. The network serves as a source of information, new ideas, and contacts. The environmental network traces its origins to the Consumers Association of Penang (CAP) and its younger sister organization, Sahabat Alam Malaysia (SAM). CAP and SAM participated in all four Penang cases. Both organizations are central to the networks that have formed, and continue to form, around sustainability and environmental issues. As the Penang Hill Campaign showed they do not rely only on each other, rather they have used their contacts and leadership skills to include both environmental and non-environment organizations in their network. In addition to individuals' personal international contacts SAM's affiliation with the Friends of the Earth and the creation of the Third World Network brought formal, international contacts into the network.

As we noted in Chapter 2 CAP and SAM leaders and staff strengthened the links within the network by sharing their knowledge and building the capacity of newer NGOs. For example SAM's fundraising training was credited with helping the Penang Inland Fishermen's Welfare Association (PIFWA) receive funding from Penang Port. CAP and SAM's ties with other NGOs were further strengthened as their former staff members went to work in the newer NGOs.

CAP defined consumer issues broadly so that they covered many aspects of day to day living. This broad focus enabled CAP to include media and government agencies in its network. The media relationship was nurtured by CAP's ability to provide stories that had wide appeal. For example, a recent tradition has been to issue warnings about bacteria found in foods sold at informal stalls during Ramadan (Muslim's fasting month).

With the state's creation of SERI and PEWOG the environmental network expanded to include government and businesses. SERI, through its implementation of SPI, brought NGO members together with members of other NGOs, government employees, and business representatives. An added value of SERI was its perceived ability to articulate environmental interests to persons and organizations working on international and local development projects. PEWOG included CAP, SAM, MNS, and PIFWA; thus, bringing the environmental NGOs into a broader network.

3.2.2 Key Themes in the Collaboration Literature

Relationships among organizations can be described along a continuum ranging from cooperation to collaboration. Three common points along the continuum: cooperation,

coordination, collaboration. Organizations that cooperate share resources and information. Organizations that coordinate share information, coordinate activities, and conduct joint projects. Organizations that collaborate create a new entity and plan together to manage a resource or share a problem. As organizations move from cooperation to collaboration their autonomy lessens. The toxic waste case is an example of coordination and the other cases are better described as collaborations, although SPI did not seem to lessen participants' autonomy.

We selected the key themes that are relevant to the four Penang cases. These themes are: the characteristics of the convener(s) and the role of trust, the strategic and cultural fits among partners, benefits and risks of collaborations, and indicators of success.

3.2.3 Forming Collaborations: Characteristics of Conveners and the Role of Trust

In a review of the literature on cross-sector collaborations (Bryson et al., 2008) identified three antecedent conditions that make collaborations more likely: a powerful convener, agreement among the collaborators on the problem definition, and the existence of prior relationships and existing networks. The conditions in Penang characterize an ideal environment for forming collaborations. Penang's environmental NGOs have been well served by effective conveners, the NGOs have agreed on the causes and solutions to the problems that have brought them together, and they have had the benefit of an extensive network that has continually grown.

Effective conveners have credibility that cuts across organizations. They may be labeled as "boundary spanners," because they effectively work across organizational boundaries. The founding members of CAP included Anwar Fazal and S. M. Mohamed Idris; both have been active throughout the four decades covered here. Prior to founding CAP both men were on Penang Island's Municipal Council. During the early years of CAP Fazal served as secretary to Penang's Chief Minister and later as Director of Penang's Development Council. The political involvement of Idris and Fazal and Fazal's public sector jobs gave them both credibility beyond CAP and gave them contacts they could use to expand the environmental network.

Dr. Koh Tsu Koon, the Chief Minister of Penang and member of CAP and MNS, was credited by the principals interviewed as playing an important role in bringing the NGOs and government together. He launched SERI, actively listened to the SPI presentations, and participated at PEWOG events. Similar to Idris and Fazal, Koh was a boundary spanner with credibility among a variety of stakeholders. Although Idris and Fazal had government contacts Koh's position in Penang's government gave him the power and influence to create the inter-sector collaborations represented by SERI/SPI and PEWOG.

Closely linked to the characteristics of the convener is trust (Bryson et al, 2006; Child and Faulkner, 1998, ch 3). Trust extends beyond the conveners to include the collaborating organizations, although judgments about an organization's trustworthiness

are rooted in the interactions between individual organization members. Trust takes time to develop. It can be viewed as moving from the early interactions of “if you will I will” to a willingness to take on long term commitments (Thomson, 2006). As actors work together they may exchange information, experiences, and skills (Yashiro, 2005). As information, experiences, and skills are exchanged participants assess each other’s willingness to share information and opinions, competence, and reliability. These assessments determine the level of trust among individuals and their respective organizations.

We can infer that the environmental NGOs had little trouble establishing trust among them. Their roots in CAP and SAM strongly suggest that they knew each other well, they could predict each other’s reactions and behaviors, and they shared common values. The initial degree of trust and how it evolved among participants in the Penang Hill Campaign, SPI, and PEWOG are not known. Given the diversity of the participating organizations we assume that participants had different points of view and different ways of conducting business. Roundtables are effective in starting to build trust insofar as they require participants to share information about themselves. Trust may have been a greater challenge for PEWOG. A majority of its current members represent the private sector (on August 15, 2008 9 of the 20 organizations listed at <http://www.pewog.org/membership.html> were businesses). PEWOG had a more diverse organizational mix than SPI, the members worked together for a longer period of time, and their objective was to plan and implement projects. We assume that the trust building process was facilitated by appointment of a chair that was seen as neutral.

3.2.4 Assessing the Collaborators Strategic Fit and Cultural Fit

An organization’s decision to join in a specific collaboration and to stay involved may be far more complex than simply considering why the collaboration is forming. An organization may weigh the consequences of working with the other organizations. Will they add to its reputation? Will the collaboration increase its capacity? What will the other organizations contribute to the collaboration? The attention paid to these questions may depend on the perceived cost of collaborating, the perceived benefit of collaborating, and the experience of the organization with other collaborations. Partnerships that seem ideal at the beginning may disintegrate and fall apart because these questions weren’t asked or the initial assessments were wrong.

Two key characteristics which affect how the partners work together are strategic fit and cultural fit (Child and Faulkner, 1998, ch. 5). The strategic fit refers to the skills and resources each partner brings to the collaboration. The combination of skills should allow an outcome that no one partner could achieve alone. Cultural fit refers to whether a collaboration can accommodate organizations with different cultures. Relevant organizational culture components include: how employees relate to each other, to their superiors, and to the public; the organization’s use of technology; its receptivity to new ideas; and its systems for monitoring and rewarding performance.

Although the patterns of sharing skills and resources were minimally described in the cases, we can assume that no one organization had all the requisite skills. We also assume that each organization's skills and resources were combined to result in a coherent joint effort. In the toxic waste case the skills needed included SAM's ability to conduct studies documenting the problems, CAP's legal resources needed to file the complaint, and the organizational skills of both to contact the media and to organize demonstrations. In the Penang Hill Campaign the resources used were facilitation skills to engage the diverse NGOs, media and international contacts to publicize the effort and maintain interest in the campaign, political and analytical skills to develop the alternate plan.

The roundtable format used by SPI was too short to assume that strategic fit was relevant beyond expanding the number of ideas presented and improving the quality of their evaluation. PEWOG worked with the local government on issues such as alternative solid waste management. Given the diversity of the participants and the complexity of handling solid waste we may infer that the members have a sufficient strategic fit to compile and organize the information needed to design and implement a solid waste management strategy. The types of information provided may be partially inferred from the various solid waste issues which PEWOG identified: municipal waste separation, municipal composting, recycling of inorganic waste and hazardous waste management, implies as strategic fit. The ability to generate feasible plans also implies that cultural fit was not a problem for the participants.

In the four cases there was no discussion of how the participants worked together. There were comments about the inability to involve more diverse groups, especially in SPI. As we noted businesses and senior officials were underrepresented at the roundtables, which could imply that the time involved and the mechanism of the roundtables were counter to their cultural preferences. A more nagging problem was the lack of non-English speakers. Racial and religious issues are a constant source of concern in Penang. In the environmental NGOs English-speaking, liberal, middle class urbanites predominate. CAP is atypical. Its officers and its staff are multi-racial and it attracts members from all of Penang's ethnic groups. Similarly, the Penang Hill Campaign brought together citizens from different ethnic and religious backgrounds. SPI developed Malaysian and Chinese roundtables and issued invitations to groups in the respective communities. Although the turn out was disappointing it demonstrated a willingness for SERI to be inclusive.

3.2.5 Assessing the Benefits and Risks of Collaborating

The reasons for cooperating in the toxic waste and Penang Hill cases were straight forward. The participants wanted the facility closed and the development prevented. The involved NGOs may have calculated the probability of a successful outcome and assessed the cost of participating. None of the cases explored what other factors, if any, drove the decision to participate. Nevertheless, identifying benefits that can occur from a collaboration is worthwhile and may add to what we can learn from the cases. First, organizations can learn from each other. Consider the Penang Hill alternative

development plan. At the end of the campaign all of the organizations may have had informed opinions about the value of such reports and how to prepare them. Participants in SPI and PEWOG should have developed new ideas that could make their organizations more effective. Second, organizations can learn to work with other segments of the population and use this information to expand their membership or create new initiatives. The participants in the Penang Hill Campaign, SPI, and PEWOG met and worked with different groups in the Penang community. We can imagine that some participants at SPI left with insights about how their organization could improve its outreach to these populations, for example the disabled. Third, through formal and informal interactions participants may develop new perspectives and ways of seeing the world (Hemmati, 2002). Such insights bring new points of view to the individuals, the collaboration, and the participating organizations. Individual NGOs may use these insights to critique and improve the programs and policies.

There are also political benefits to being part of a collaboration. Being asked to be part of SPI and PEWOG may have affirmed an NGO's reputation and standing in the community. The reputations of CAP and SAM are such that they can give credibility to a partnership and may attract other participants. The partners, with less established reputations, may decide to join in a collaboration because they want to be associated with more powerful allies.

Collaborations also involve risks. Occasionally, a collaboration may receive unwanted publicity because of its own failings or the failings of a participant. Either can hurt the reputation of other participants. An organization may compete with the collaboration for funds. A donor-supported organization may be wary of collaborations if it suspects that their reputation or fund raising tactics might affect its donations. An organization may be concerned that staff members participating in a collaboration may be less attentive to their day to day jobs. Typically, collaborations proceed slowly and organizations may question the value of their participation. If participants question the value of participating they may become inactive or they may be reluctant to join in other collaborations.

3.2.6 Assessing Outcomes

Should we judge Penang's environmental NGOs successful? What criteria should we use? One might consider closing the toxic waste facility and preventing the development of Penang Hill as successes, but mega-developments are still being built in Penang, and toxic wastes are still being produced. Successes may be temporary. Recall that two years after the rare earth facility was ordered to suspend operations, it received a license to resume operations.

Instead of assessing the successes of environmental NGOs directly we can consider the outcomes of the collaboration. (Bryson et al.'s 2006) review of the research on inter-sector collaborations identified three categories of the success of collaborations: public value, first-, second-, and third-order effects; and resilience. The authors (p. 51) summarize the public value as producing "lasting public benefits at reasonable cost and tap [ping] into people's deepest interest and desire for a better world." This statement

captures the objective of sustainable development. The collaborations have yet to produce “lasting public benefits.” Nevertheless, given the achievement of first- and some second-order effects and the participants’ resilience creation of public value may eventually be achieved.

First-, second-, and third-order effects recognize the need to track immediate outcomes, intermediate outcomes and long term outcomes. The facility closing, the development not occurring, the indicators being designed, and the PEWOG programmes constitute positive first-order effects. Second-order effects might include creation of social capital, such as, creation of new collaborations, changes in practices, and changes in perceptions. The evidence that the collaborations resulted in second-order effects are limited. Although SILA, STEP, and Water Watch Penang were new collaborations they occurred during the SPI round tables and may be more appropriately considered first-order effects. SPI’s roundtable format has become conventional in Penang. In addition some of the groups involved in the Penang Hill Campaign came together to oppose development on the grounds of the Turf Club. Third-order effects might include shared meanings, increased interactions, and a change in the distribution of power. When third-order effects are achieved Penang may be closer to the goal of sustainability, but third-order effects are a long way off. The evidence is that while government is willing to listen, changes in how it does business are yet to be realized. (Tan Pek Leng, undated).

Resilience and reassessment are important if a collaboration is to sustain itself in the face of failures. The four cases, with the exception of the Penang Hill Campaign, suggest that the NGOs and citizens of Penang do not fold in the face of set backs. In the toxic waste case the reissuing of the facility’s license was immediately challenged. In the case of SPI although the indicators could not be implemented as envisioned the basic approach was not abandoned. Similarly, a lack of progress by PEWOG may be viewed as a set back which may be overcome in the years ahead.

The establishment of RCE Penang Council offers an opportunity to apply the lessons learned and the capacity developed over the past 40 years. RCE Penang Council is chaired by the Vice Chancellor of the Universiti Sains Malaysia and co-chaired by a member from civil society movement. The Secretariat is hosted in USM and co-host at SERI. As of now 13 organizations have formally signed a MOU to work for education for sustainable development. RCE’s vision to create public value is illustrated by this quote from Holland (2001) “direct interaction with external constituencies and communities through mutually beneficial exchange, exploration, and application of knowledge, expertise and information...enrich and expand the learning and discovery functions of the academic institution while also enhancing community capacity.”

As RCE goes about bringing the different sectors together this review of the collaboration research suggests some things that it may want to attend to. First, RCE staff may want to interview participants in PEWOG and SPI to explore how RCE can effectively build trust among participants. Second, RCE participants may want to be conscious of their strategic and cultural fit. Conveners and facilitators may need to be ready to define tasks to maximize strategic fits. They should be ready to address

cultural differences that may lead participants to withdraw. Third, they may want to identify the benefits to the participating organizations. This information can be especially useful in tracing how the collaboration creates social value.

3.2.7 Improving Sustainability Efforts

Weiss (2003, p.43), a political scientist who has studied Malaysia's NGOs has written "Where Malaysian NGOs are weakest is in critical self evaluation, long range planning, and sustainability". The cases suggest that the statement also applies to their collaborations. The case writers focused on collaborations, and the literature allows us to critically examine them and suggest strategies for long-range planning. The literature, which is largely based on Western research, has the added advantage of suggesting that our observations extend beyond Penang.

Penang is a fortunate community. It has an articulated, well-educated, and committed middle class. Many in the community have international contacts and international travel is common. The Internet and Satellite television have only added to the state's internationalization. These characteristics have benefitted environmental NGOs. For four decades they have benefitted from visionary, well-connected leaders that spotted environmental threats and organized NGOs to take action. The specific challenges to the environment raised by the toxic waste facility and the destruction of Penang Hill may be seen as largely independent of other global events and unique to Penang and its environs. The SPI and PEWOG initiatives were partially stimulated by global movements for good governance and to increase citizen participation.

The cases describe environmental organizations that can organize a successful campaign with a specific goal in mind. Currently, they have expanded their success to include participating government planning. Sustainable development requires more than just launching a time-limited campaign or sitting at a table with government officials. It requires sustained interaction among stakeholders and a willingness to debate with each other. The literature suggests reasons why the Penang NGOs have not attained their potential and steps that RCE Penang and other collaborations in Penang and elsewhere should take to participate more effectively in sustainability efforts in the future.

Najam's framework seems adequate to describe how and why governments and NGOs interact. The framework falls short in linking a relationship to outcomes. Should cooperation that leads to change be categorized differently from cooperation that is short circuited? Are these different outcomes predicted by alignment of goals and means or do other factors play a role? The cases suggest that cooperating with government may be looked at as a necessary but insufficient step in achieving change. A report by a Danish agency identified core problems hindering Malaysia's sustainable development (Ramakrishna, 2003). One problem, the government's lack of capacity to address environmental issues, suggests a need for collaboration with NGOs whether the relationship is cooperative or complementary. Two other identified problems remind us of the unfulfilled potential of SPI and PEWOG. They are:

- A lack of public involvement in government decision making and lack of transparency in government's development planning
- Little opportunity for the public to get involved in monitoring and enforcement activities

The potential of SPI and even PEWOG fell short, because internal funding was not there to replace the external grants. In the future assuring and attaining continuing resources may need to be as much a part of a collaboration's agenda as its policy goals. RCE Penang is still relatively young and its ability to develop self-sustaining activities is untested. Similar to the cooperative relations the door for a new role for NGOs has been opened, whether the initiative is successful is yet unknown.

The collaboration literature is more helpful in pointing ways forward. In each case a powerful convener, agreement among the collaborators on the problem definition, and the existence of networks and prior relationships helped the effort to get underway. None of these characteristics are unique to Penang. Every community has powerful people who span organizational boundaries, networks are a fact of modern life, and effective conveners will help potential collaborators shape a common problem definition. In Penang the election of a sympathetic Chief Minister facilitated government-NGO cooperation. The literature does not suggest when and how such political support is necessary to getting government participation. Possibly a strong political voice is only necessary to initiate government cooperation with NGOs. Later as the diverse sectors become used to working together only an effective convener is needed, but he or she need not be a strong political voice.

Initiatives to address ambiguous, complex problems require a sustained effort. Trust may be easily achieved among groups coming together to achieve a specific goals. It may be harder to achieve in sustained relationships that require risks. Participants have to trust each other to voice unspoken and possibly unpopular points of view. Participants who agree to contribute their organization's resources, to surrender some of its autonomy, or to give up a comparative advantage have to trust that other participants will follow through on their commitments. Such a level of trust is not easy to come by. To succeed and meet their potential RCE Penang and other coalitions should assess the level of trust among participants and take steps to build trust.

Lack of cultural fit is easily missed in a collaboration. If the joint activities center around meetings and carrying out tasks people who feel ignored during a meeting or feel frustrated or unappreciated in carrying out assigned tasks may drop out. As a result important allies may be lost, important voices may go unheard, important problems or opportunities may be ignored. Conveners of future collaborations, including RCE Penang, may want to identify major features of participants' organizational cultures. For example, consider the meeting process. Organizations may have different meeting practices: ways of starting and ending meetings, expectations of speaking order, and how a meeting ends. Similarly, organizations may differ in how tasks are assigned and how they are completed. When differences are identified the conveners and other

stakeholders may consider how to accommodate the differences. Similar thought may be given to creating expectations about what participants will do between meetings.

The role of trust is less clear. Trust among collaborators is known to grow over time as they work together and share information, experiences, and points of view. We assume that the environmental NGO had trusting relationships, especially since many of their members had direct links to either SAM or CAP. Once the collaborations included other sectors we can assume that initial trust among participants outside the environmental network was lower. The roundtable format starts builds trust, but the effort did not involve enough time for trust to develop further.

CONCLUSIONS

Penang NGOs have settled into two styles of working together and giving their agenda voice. The first style, illustrated by the toxic waste and Penang Hill cases, is issue-oriented. When faced with a specific threat NGOs come together, organize, and implement a campaign. Once the threat is resolved the participating organizations turn their attention back to their individual activities. As a relatively small close knit community Penangites can easily resurrect a collaboration to react to new threats. Relationships developed in early campaigns form the basis for later campaigns.

The second style, illustrated by the SPI case, has NGOs, government agencies, and businesses meet together in round tables and on task forces. This strategy enables NGOs to interact with government and business decision makers. But the involvement of government and private sector representatives has been limited. Thus, the benefits of exchanging of information and points of view have not been fully realized.

The problem of sustainability requires a different style, that is, a sustained, continuous effort. As PEWOG and RCE move forward they may wish to assess their collaborations: the strategic and cultural fit of the participants, how they built trust, how they assured that the work of the collaboration was done; what they achieved. With this information the experiences of PEWOG and RCE may be well enough understood to add a third style of collaboration and add contribute in a more lasting way to Penang's quality of life.

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