POTENTIAL AND PROBLEMS IN BOOK TRADE OF MALAYSIA-INDONESIA

Hamedi M. Adnan
Department of Media Studies, University Malaya
hamedi@um.edu.my

&
Mohamad. Saleeh Rahamad
Department of Media Studies, University Malaya
saleeh@um.edu.my

Abstract

Book trading between Malaysia and Indonesia occurred in the political and economical framework of both countries. Malaysia and Indonesia use the same language with each language user can understand each other. With that fact, publication connection between the two should be transparent and can complete mutually. However the fact is trading connection of publication materials between Malaysia and Indonesia is not balanced, in a situation which excessively gives profit and gain to Indonesia. While Indonesian publishers enjoy additional market in Malaysia, reading materials which are published by their friends in Malaysia are not marketable in Indonesia. This writing will discuss various problems that prevent transparent book trading between the two countries and the available potential to be developed for the sake of progress in book industry of both countries.

Keywords: Book trade; Publishing in Malaysia and Indonesia; Reading materials

Introduction

The trade of reading materials, particularly books, magazines, and newspapers between Malaysia and Indonesia occurred in political and economical framework of both countries. Malaysia and Indonesia using the same language with each language user can have mutual understanding. With this fact, the publishing relation between the two ought to be transparent and can be mutually complimented. Indonesian mainly can provide the market which is big enough for writers or publishers from Malaysia, same as what was enjoyed by some singers or album producers. On the other hand, although the market in Indonesia is already big enough, the market in Malaysia can still be explored and then manipulated by Indonesian publishers in order to increase their profit margins. Both countries ought to use their similarity in language as an advantage which should be manipulated the best way, not only commercially, but also culturally and socially.

However, there is imbalance in the trade relation of publication materials between Malaysia and Indonesia in a situation which gives too much profit to the latter counterpart. While Indonesian publishers enjoy additional market in Malaysia, reading materials that are published by their counterparts in Malaysia do not penetrate into the Indonesian market. Political issues are often raised when publishers in Malaysia find excuses on why books, magazines or newspapers which are published by them cannot be sold in Indonesia. They claimed that the protection policy of the Indonesian government on local publication materials caused difficulties for the publication of the Malaysian Malay language to penetrate into the country’s market. They also stated that there are provisions in the law of Indonesia which prevents the import of reading materials in the Malay language from abroad. On the other hand, publishers in Indonesia in which the domestic market is already huge, enjoys double advantage when their publication materials can be sold in Malaysia transparently.

While political problems definitely become a blockage for transparency of distribution and selling of reading materials from Malaysia in Indonesia, issues which are not less important are economical issues. The
market in reading materials from Malaysia in the country is very low if compared to the market in Indonesian publications in Malaysia. Therefore, not many book traders in Indonesia want to import Malaysian reading materials, compared to importers of books in Malaysia.

**Economical Issues in Publishing Relation**

In general, the trade relation of Malaysia–Indonesia is established from Basic Arrangements on Trade and Economic Relation 1967 in which is renewed later with economical and technical co-operation agreement between both countries on the 19th of October, 1973. Besides both of the agreements, trade management of both countries was also made easy with agreement in ASEAN, particularly ASEAN PTA or ASEAN Preferential Trading Arrangement. Trade of books, newspapers or magazines between both countries is based on the agreement, although there are provisions of the law of their own which limits their freedom.

By putting aside political blockage that actually can still be compromised in a very close bilateral relation, a bigger problem for Malaysian publication to penetrate the Indonesian market is economical issues. Not many importers in Indonesia want to bring in reading materials from Malaysia due to very low demand and that the materials will not be profitable for them. Most Indonesian readers, like what is also agreed by Yahaya Ismail, feel that cultural, creativity, and intellectual values which are reflected from books or magazines is much higher than what is able to be offered by Malaysian publishers. Yahaya Ismail stated that Indonesian readers have *preconceived idea* that the product of Malay literature is not of very high quality if compared to Indonesian literary figures’ works (Yahaya Ismail 1968: 15). Furthermore, they are confident that Indonesian reading materials itself are already enough and they do not need reading materials from Malaysia which they feel are inferior to theirs.

The policy of the Malaysian government in the import of Indonesian publication materials has no difference with the policy of other countries. Books, magazines, and newspapers from Indonesia have no obstacles to be distributed in Malaysia as long as the import is done according to the regulations. Malaysia treats materials of Indonesian publication same as other reading materials either in English or Chinese which are imported. Therefore, the position of Indonesian publication materials in Malaysia is determined more in terms of market than political issues.

There is a little difference between the import of books and journals with other periodicals such as newspapers and magazines. For books and journals, import can be done directly by any distributors or local agents. Wholesalers or booksellers often carry out book import activities personally. They carry out business directly with publishers from Indonesia and trade terms are managed and agreed between the two parties. Since 2005, the leading general publisher, PTS Group has started to republish in Malaysia certain general and Islamic books originally published in Indonesia. This action were later followed by publishers such as S.A. Majeed through its subsidiary, Synergy Media who actively republished books on agriculture previously published by Penebar Swadaya and Agromedia Pustaka, the two leading such books in Indonesia. By republishing means they have to change certain words or terms to the one popularly used in Malaysia. Sometimes, publishers had to change the name of the author which sounds too Indonesian to suit the Malaysian reading public.

The import of magazines or newspapers is placed under the Printing Press and Publication Act 1984. Section 9 of the act hinders the import of unwanted publication materials. Under that section, the Minister can reject imports to Malaysia or stop the delivery of any publications which contain prohibited materials. In spite of this, the Minister can permit the import or delivery of the publications if he is satisfied that the parts which are being disputed at is eliminated, cancelled, deleted or removed. Apart from that, Regulations (Deposit) under the Printing Press and Publication Act stated that the import of foreign periodical publication materials should be preceded by the payment of deposit being determined. The Minister can determine so that any publishers which have the tendency to go against the prohibition of the act to pay a certain amount of deposit for the publisher before the publication can be imported. For that purpose, local distributors or agents of the publisher
can become the ones who are responsible for the foreign publisher side, and the deposit can be seized if the related publication goes against the prohibition being determined in the act.

Nevertheless, this regulation does not prevent importers from bringing in publications from Indonesia. This is because reading materials from that country can be sold in Malaysia, not solely because there are so many Indonesians working here, but also due to demand from Malaysians itself. Indonesian religious books certainly receive very favorable response in this country for such a long time. Big names of religious book writers such as Hamka and Bey Ariffin have been in the market for such a long time, although there is part of it which is pirated. Bey Ariffin (1993), when writing the foreword for the fourth edition of the book *Hidup Sesudah Mati* (Life After Death) stated that “… this book should have being given its new look long ago. But interrupted by the presence of publishers and sellers who are irresponsible, stealing peoples’ rights in writing, copy the rights of the writer following his lust and the orders of devil”. According to him too, “as a writer, the trespassing of my copyright by wicked hands and its disrespectful attitude is certainly against my will. May Allah will give something in return to these wicked people with something suitable in return”. There are publishers in Malaysia, like Thinkers Library, Berlian Publications, Jahabersa, Darul Nu’man, S. Abdul Majeed and Al-Hidayah which reprints religious books which are originally published by publishers in Indonesia.

The market of Indonesian books in Malaysia is obviously bigger than Malaysian reading materials in its neighboring country. In 1977 for instance, the total number of Indonesian books exported to Malaysia is more than the ones brought into Singapore, Holland, Japan, and Australia. Export to West Malaysia at that time was 17,530 copies compared to 3,310 copies to Singapore and 183 copies to Holland. In 1983, the total number of export to West Malaysia increased to 29,880 copies (Hamedi 2002). Since the modus operandi today is different where republishing is replace the importing of reading materials, no data of the trade value could be obtained. Publishers in Malaysia would usually approach their counterpart in Indonesia directly for certain books to be republished. Agreement on the fees or advance payment will be reached as well as the rate of royalties and other terms before the project could be started. As such no statistic or trade data could be recorded.

One of the advantages of Indonesia is its competence in translating books of foreign work particularly from English or Arabic. Relative to short period of time, great works of the world are able to be translated perfectly by publishers in Indonesia—a success which cannot be competed with Malaysian publishers. In one or two years after great works in various field of knowledge are published in New York or London, Indonesian publishers are able to publish their translation, whereas a very long time is needed by Malaysian publishers to do so. This is also because the translation cost is cheaper in Indonesia. As such, due to its huge potential of market, translation activities is flourish in Indonesia compared the ones in Malaysia.

Export of Malaysian Reading Materials to Indonesia
In the Indonesian context, “publication and printed matter” means “books, magazines, newspapers, brochures, leaflets, maps, globes and the like that use the Malay language, including the ones using the Braille” (Basic Arrangement on Trade and Economic Relation 1967). From the agreement which was achieved in the Basic Arrangements on Trade and Economic Relation 1967, it is clear that distribution of publications in the Malaysian Malay language is not prohibited in Indonesia. Reading materials from Malaysia are allowed to be imported through importers of Indonesia or bought directly by the Indonesian from its publisher in Malaysia through post or subscription. However, like Malaysia as well, Indonesia has its own regulations in the import of Malaysian publication materials to the country. In trade activities in Indonesia, foreigners are prohibited to be active in retail activities. The purpose of the prohibition is to protect the rights and necessities of the local citizens in the activity. Therefore, a few conditions must be fulfilled before the materials of publication are imported to Indonesia. Among them are importers must show that agents or sellers in Indonesia are citizens of that Republic. The agent should own the Trade Industry Permission Letter particularly for materials of publication, whether books, magazines, or newspapers. The permission letter is possibly mixed with other
letters of trade permission, but the statement that the agent is permitted to trade materials of publication must be clear.

Other conditions are materials of publication which are sold or distributed must have distributive permission from the Republic of Indonesia Attorney General. For this, it is compulsory for the agent to solve the problem of distributive permission first before the materials are exported to Indonesia. For materials that are categorized as educational necessities, agents ought to get a recommendation from the Republic of Indonesia Minister of Education and Culture. Furthermore, the materials can also be printed in Indonesia and sold through agents who are selected by the printer or Malaysia itself. Next, the import of Malaysian publication materials to Indonesia can be given an exception from tax if the materials are “academic for the necessity of undergraduates as well as students” (Rosediana 1992).

From the conditions, it is clear that complaints from Malaysian publishers that their publications receive political constraint from Indonesia are no longer true. Moreover, the conditions being determined are about the same as the necessity which ought to be fulfilled by materials of foreign publication, including Indonesia when they are to be distributed or sold in Malaysia. However in various aspects, the traffic of reading materials between the two countries obviously gives advantages to Indonesia. For entry of publication materials of the hand-carried way for instance, the regulations in the country seems to be very strict compared to Malaysia. All materials of reading from outside the country which are brought into the country as hand-carried are compulsory to be inspected by the Republic of Indonesia Attorney General and if it is found out that the materials are brought in for educational necessities, the materials need to be inspected by the Department of Education and Culture. Only after the department has made an approval then only the materials can be brought in. Therefore, passengers of the airplane who bring in materials of publication in the Malay language will face problems. They may have to be left at the airport until the inspection is completed. Not ended there, the materials then will be imposed an import duty with a fixed rate, which is 50% flat rate from its value in Indonesia. Furthermore for certain reasons, the person who performs the customs and tax tasks can determine that the tax rate is decreased or increased until 100 per cent from the value of the publication material (Rosediana 1992).

Other ways to bring in Malaysian publication materials to Indonesia is through the diplomatic channel. In spite of this, materials which can enter through this channel are the ones that are categorized for educational purposes. The materials of publication in general are for the purpose of exhibition or in the form of assistance to educational bodies in Indonesia, and not for retail sale for the people in the country (Hamedi 2002). There are regulations which need to be fulfilled to be able to enter that way. Before the materials are sent to Indonesia, one copy should be handed over to the Republic of Indonesia Embassy that is its Education and Culture Division. This division will determine either the publication contains materials in which the entrance is prohibited or not. The Education and Culture Division will later advance the matter to Indonesia, which is the Directorate of Import for tax exception since the materials of publication will be brought back or given for free to educational bodies in Indonesia. This means that reading materials that are brought in to be exhibited can be given an exception from tax with a condition that the book will not be bought and sold. According to the Regulations of Tariff Custom Entry, materials of publication for educational purposes will not be imposed an import duty, except on its selling which is imposed a VAT 10 per cent. For printed materials in which the purpose is commercial such as all types of calendars, they will be imposed an import duty of entry as much as 40 per cent and VAT 10 per cent.

Conclusion
From the regulations being imposed on the materials of foreign publication to Indonesia, it is clear that there is disagreement in terms of politics which makes materials of publication from Malaysia not free to be distributed or sold in Indonesia, like how free the Republic’s materials of publication are sold in Malaysia. Nevertheless, the political blockage is not solely a factor that weakens the spirit of Malaysian publishers to export their
publications to Indonesia. A more serious problem is the slowness of the Indonesian society’s response on reading materials published by Malaysia. Unlike newspapers or magazines or Indonesian books that get favorable response in Malaysia, the market for Malaysian books or magazines in Indonesia is very poor. Indonesian book distributors who reluctant to import reading materials from Malaysia complained that the language used couldn’t be understand by general reading public in Indonesia. Translation has to be done for such books and for them, the translation costs must be bear by Malaysian counterpart. It increases the publishing costs and with the already high costs in production and printing, no way such project could profitable.

It is clear that the trade of publication between Malaysia and Indonesia does not have a specific problem. A big problem which arise is the difference of what is fixed by both countries in arranging the trade and import–export of publication until it often results in misunderstandings to occur in which it causes the trade of publication between the two countries becomes less smooth, particularly the trade from Malaysia to Indonesia.

References

Chapter 49, Basic Arrangement on Trade and Economic Relation 1967.

