

'ECONOMIC DEVELOPMENT': ITS MEANING AND REALITIES IN MALAYSIA

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I. INTRODUCTION

We often hear of development but observe in reality the state of *underdevelopment*. Poverty and its many facets manifest themselves in every part of the world. Aggregate measures of increase in gross national product, life expectancy, literacy rate and decline in infant mortality clearly indicate the uneven state of development. Increased inequalities in income and lack of access to employment opportunities and diminished environmental quality are important manifestation of such unevenness.

It is in this context that this paper will examine the experiences that Malaysia has gone through during the last three decades of its economic development. In this regard, we shall initially discuss the concepts of 'development' itself, after which we shall examine the nature of development in Malaysia, followed by a discussion on its planning machinery, the process of industrialization and urbanization.

CONCEPTS OF 'DEVELOPMENT'

'Development' has become one of the most controversial concepts; provoking many questions regarding the nature of developing societies, their values, technologies, their decision-making process etc. Since these are difficult questions, it is easy to lose them in generalizations when we use the term *development* as a euphemism for change, modernization or growth. However, development is more complicated than any of these words would suggest.

In order to understand the issues involved, it would be instructive to examine briefly the changes in the conceptualization of development and successive efforts to reshape its definition. Although the study of development has its origins in 18th century philosophy, political economy and the nascent social sciences, it is only after the early 1950s, as a result of multifarious social and economic changes in the developing countries, that this concept has projected itself to the forefront of intellectual debate. The consequence has been a challenging discussion among and within disciplines about the origins, nature and implications of development. Controversies arise principally because of different perceptions about the methods and the conditions under which a society can change.

Perceptions regarding the extent to which a society should change or should be managed and directed may also differ. Inevitably this leads to the

issues of power and choice; who is to decide the direction and nature of change. For instance, the active role of the state in the development process has often been taken for granted in most developing countries. And it is crucial to ask; what *kind* of state is it that is to direct or foster development?

To-day we observe that inequalities have increased, both within countries and between them (Bhattacharya, 1982; Griffin & Khan, 1978). Some economists respond to these deepening inequalities by criticizing the earlier development models and the underlying assumption that the newly generated wealth would 'trickle down' to the poor. Early thinking and policymaking was dominated by 'economic growth' as the principal yardstick of development. Economic growth was thought to be an appropriate objective in so far as it will produce the 'trickle down' effect on the poor. In this sense it was implicitly accepted that inequality and poverty are essential for growth, and that the state would then be capable of redistributing the fruits of growth. But it is evident that these assumptions are untenable.

Economic growth in many developing countries has remained concentrated on a narrow enclave of relatively modern, organised, urban sector and that the concentration of income is in the hands of the few. Events have also shown that the benefits of economic growth tend to go to those with political and/or economic power. The fact that the poor are also powerless to affect policy changes has a great deal to do with existing inequalities.

Another development in economic thought came with the increasing influence of political economists in the late 1960s and early 1970s. Their principal thesis is that economic issues can only be understood within the context of political reality; therefore questions of resource ownership, power and distribution must have an important bearing on the development process. It is also in this sense that we may say that 'economic growth' and 'economic development' are two distinct, albeit related, processes.¹ (Flammang, 1979-80; Wilkinson, 1973:83).

Growth by itself is not the same as development. Growth signifies increases in actual physical production or greater output; development on the other hand signifies the capability within society. The significance of this distinction is that capability is dependent upon structures in the society; to increase them these structures have to be changed. Structural change is therefore seen as an essential element in the expansion of that capability. And structural change must include social, political and economic variables. At the

1. Flammang argues that economic growth and economic development are two different but related processes which are both counterparts and competitors, depending on the time span involved, and that the distinction is important from both the theoretical and policymaking standpoints (Flammang, 1979-80:47-61).

same time development must also affect the distribution of income, which growth may not. Development is therefore not merely a process of creating more output, but distributing it more evenly.

The preceding statements reflect the close relationship between production and distribution. Earlier economic thinking tends to focus on productivity and efficiency and thus implying that inequality is necessary for capital formation. The question of distribution therefore tends to be ignored. But what is significant is that the mode of production chosen and its organizational aspects will have an important bearing on the benefits arising from productivity increases. Since different modes of production lead to different distribution, these effects cannot be ignored (Uphoff & Ilchman, 1972:78).

It needs no emphasis that poverty dehumanizes and constricts the human spirit and human capabilities. In developing countries, low incomes and low productivity are self-reinforcing social and economic phenomena, and these contribute to the state of underdevelopment. Myrdal's 'circular cumulative causation' model explains underdevelopment precisely in these terms (Myrdal, 1968:1843-1940). The process of development must therefore take account of those in society who are trapped in this vicious circle. Development must evolve within the scope of increasing the capability of these people to influence their future. This inevitably means that a development programme must not only accomplish physical and concrete changes, but must also create a greater capacity amongst people to choose and respond to these changes (Braibanti, 1975).

If we regard development as an increase in the society's ability to influence its future, the implication is that priorities should be given to strategies that would enhance the capability to affect change. Such priorities should also consider social and economic equity since uneven attention to different groups will divide people and undermine their capability. At the same time it also meant that the question of economic dependence upon the developed countries should be given serious considerations. The latter is the more difficult, the greater is the extent of dependence.

In this context, it must be noted that international forces (such as the policies of developed countries, their multinational companies) seem to create 'structures of dependence' in many developing countries where domestic institutions merely respond to the economic stimuli emanating from the developed countries. The nature of this response tends to reinforce the poverty of the majority and the state of dependence. Consequently, within the developing countries themselves, economic growth fails to spread its benefits evenly throughout the economy as classical or neo-classical economists would have predicted. Perhaps more importantly, there are conflicting interests in a

society; and those with economic power and political power use growth to promote their own interests. For instance, those in power can use their influence to determine the allocation of resources to strengthen or perpetuate their interests at the expense of others.

Thus the development process itself which may successfully set the stage for growth have losers associated with it. Changes in institutions, in sectoral shares, and in technologies and factor use will inevitably affect the distribution of income, work, effort and reward. Individuals with talents or resources that are well-demanded after the change are winners, and those with talents or resources which are less in demand are losers. This situation is well reflected in one measure of economic activity; i.e. higher productivity. Increase in productivity over time are however only conspicuous in the modern sectors which include manufacturing, mining and transport; while that of agriculture lags behind. These variations were the consequence of several factors 'such as size and pace of capital formation in the various sectors, choice of technology and growth and level of skills in the labour force' (Malaysia, 1981).

MALAYSIA: THE DEVELOPMENT PROCESS

In Malaysia, the development process during the last few decades have begun within a colonial framework. This starting point has substantially influenced its present day development and the problems encountered in the course of it. The pre-Independence years saw the colonial administration operating within the framework of a dual economy and a plural society that was consistently manipulated by a 'divide and rule' policy. The colonial administration emphasised economic growth in one sector, the enclave economy; and the status quo in the other, the peasant economy.

The enclave sector, as an extension of the centre was closely identified with the interests of the industrial and commercial sectors in Great Britain. This identification manifests itself in economic pursuits that emphasised wealth creation with minimal change in the total environment. The colonial administration was more concerned with the preservation of law and order and in keeping the labour force divided and cheap. As far as the peasant sector was concerned, the colonial administration was able to follow a policy of neglect (Lim, 1976:161-162).

In its endeavour to develop its economy after Independence in 1957, Malaya then lacked the industrial base, the technology, the infrastructures, institutions and the opportunities to acquire economic independence following colonial domination of the economy. Many writings tend to overestimate the importance of the 'spread effects' from the centre and to underestimate the forces of 'backwash effects' within the economy. The weakness of the spread effects seems to emanate from the so-called modern

sector which was largely dominated by foreign interests. The modern sector was strongly influenced by expatriate substructures which provided all or most of the limited entrepreneurial talent but which were more dependent for ideas and resources upon external centres of power. Consequently, this sector was segregated from the peasant sector by dualistic barriers. One of the manifestations of such barriers is the existence of 'dual technologies' between the two sectors.

It may be true that after Independence the country has the advantage of being able to imitate and adapt technology and the organizational structures that the developed countries had to invent during their early stages of development. But conditions in Malaysia are less conducive to rapid and effective imitation and adaptation than we often recognise. The existence of dualistic structures to-day may also be related to the speed in which developed country technology and organization have been introduced. The jump from traditional to modern technology is so great that only a few can make it (Powelson, 1977:113-143).

The process of development also manifest itself through a progressive differentiation of the social, economic and political spheres from each other and the development of specialized institutions within each sphere. During this process, the economic aspects of society become increasingly more important and more explicit. Adelman & Morris suggest that the primary motivation in the above process is provided by an economic force – the expansion of the market economy (Adelman & Morris, 1967:267). In the pre-Independence context, the small modern enclave provided a set of economic stimuli that continually erodes the structures of the rural society. The gradual penetration of *economic ideas* into the peasant sector weakened the dominance of the family structure and values. The diffusion of economic ideas then permeated throughout society to the point where market attitudes and values coloured the outlook toward economic activity of even those who participated only peripherally in market transactions. Thus, we witnessed the introduction of export crops (primarily rubber) into the peasant sector.

However, the above phenomenon is always associated with the ideology of Western capitalism which is based on the pursuit of self-interest. And to-day this clearly has more appeal to the rich and privileged few. The interests of the latter are intertwined with the economic performance of the developed countries, which provide the markets for their activities and supply their capital equipment and consumption goods.

It is in this context that the response of the developed countries is perhaps predictable; by providing grants and aids, and encouraging the direct flow of investments and technology (Griffin, 1981:221-226). The inflow of foreign resources is expected to increase substantially the level of economic activities

and thereby enabling the economy to 'take off' in the Rostov sense. However, in practice, higher incomes (especially if generated among the few) as a consequence of increased economic activities, may only increase consumption.² But some development theories tend to ignore this, and instead emphasize that foreign resources are both necessary and sufficient to increase the rate of capital accumulation.

PLANNING FOR GROWTH

The desire to increase the rate of capital formation has often been related to the process of economic diversification in developing economies. This applies to Malaysia as well. The stimulation of vast investments in the economy often means the need to have economic planning. With planning it is generally hoped that the growth rate would be accelerated; the benefits of which are then expected to 'trickle down' to the mass of the population.

But the day-to-day realities are strikingly different. Despite the relatively high GNP per capita (at \$3650 in 1980; Malaysia, 1981), the overall incidence of poverty in 1980 in Peninsular Malaysia was 29.2% of the total population, involving 666,100 households; i.e. more than one-in-three households were still living under the official poverty line (Malaysia, 1981:33). Since the Fourth Malaysia Plan does not indicate the source of the poverty incidence figures for 1980, it is impossible to validate them. Nevertheless, assuming that they are reasonably valid, one may conclude that a substantial proportion of the population still lives in absolute poverty to-day. The situation is further complicated by the conspicuous lack of basic utilities in areas such as housing, health, education, water and electricity supplies (Gibbons, 1980).

The New Economic Policy had earlier been 'planned' in order to 'reduce and eventually eradicate poverty by raising the income levels and increasing employment opportunities for all Malaysians irrespective of race'. In fact the Outline Perspective Plan (1971-90) envisaged that the incidence of poverty in Peninsular Malaysia 'was targetted to decline from 49.3% in 1970 to 16.7% in 1990, to be attained through a rapid socio-economic development with significant participation of the poor' (Malaysia, 1981:31). A fundamental issue that needs to be resolved is whether economic planning and economic thinking are appropriate for achieving the above objective.

2. Bank Negara, for example, states that, 'reflecting largely the rising standard of living and the lowering of import duty on some consumer durables towards the late 1970s, imports of consumer durables rose sharply at an average annual rate of 30.2% during 1976-80, after having recorded a growth of 14.7% during 1971-75'. Sharp increases were recorded in the imports of television and radio; cars; precious stones; jewellery and gold; electrical goods'. (Malaysia, 1982:53).

There is a tendency amongst policymakers, economic planners and administrators in Malaysia to adopt the attitude that they are acting ostensibly on behalf of the population (Puthuchery, 1978:113). They take it upon themselves to shape development according to some images derived from their general understanding of the process of social change. Their perception of social realities no doubt is strongly influenced by their own position in society (Bennagen, 1977: 19-28). Since planning tends to be from top down, it is often observed that economic growth favourable mostly to the planners and their allies have been overemphasised through such planning (Higgins, 1982).

Therefore attempts at planning for development may overemphasise economic growth at the expense of other aspects of society.³ Consequently, development was construed primarily as GNP growth with little concern, if any, for equitable distribution of income, let alone the control of production factors (Lim, 1983:5-22). This implies the acceptance of the neo-classical economic thesis which asserts that economic efficiency is the most important criterion in the allocation of the country's resources. But the application of a narrow criteria of economic efficiency on a project by project basis for example is inappropriate because it ignores the externalities and diseconomies generated as a consequence of development itself.

These externalities and diseconomies which may include socio-cultural components are not as easily quantified as do the economic factors. As such they have not become ingredients of development planning. This reflects, however, not so much the essentially qualitative character of the non-economic factors as the value orientation of development planners themselves.

Economic planning generally has become the preserve of the elites and middle classes, who, to a great extent, have been influenced by the growth models of the developed countries. According to Byrant and White, administrative behaviour (including planners) is largely determined by external factors (Byrant & White, 1982:32). Since most of the planners are trained either in the developed countries or are familiar with Western modes of thought, the diffusion and acceptance of their thinking on planning have been most rapid. Planners tend to orientate their development choices in pursuance to market forces emanating from the developed countries. And this orientation affects the ways in which the planners and administrators organise themselves and function. The way in which domestic resources are mobilized

3. This point is in fact recognised in the Fourth Malaysia Plan which states that 'prior to the New Economic Policy, much of the focus of development policies and programmes was centred on growth, especially of plantation, mining and trade and commerce, leading to an inequitable sharing of development' (Malaysia, 1981:32).

therefore depends a great deal on the policies and attitudes of these active elites in society. They generally anticipate the reactions of external powers and institutions that control capital and financial resources rather than focus on domestic resource mobilization. As a result, organizational structures develop around these international influences rather than around the needs or priorities of the less developed sectors in the economy.

We find that planners-cum-administrators are often dependent upon the developed countries for their behavioural cues and life-styles (George, 1977:69-70; Harrison, 1979:48). It is in this sense that they become the vehicle for 'modernization' and often the major beneficiaries of the process. Such a situation however often produces negative effects on the population as a whole since they generate concepts of success that are quantifiable and demonstrable in materialistic terms, more and bigger houses, more cars, more processed foods; and more consumer durables. These goods are of course useful for themselves, but they are above all symbols reflecting the users' attainment of a certain status.

But inherent in this system is the unequal access to these so-called indicators of success. And this has a stifling effect on the attitudes, ideas and values of those who can never make it for reasons of their position in the socio-economic structure. The elites and the middle class have tended to become the 'reference-group' for the relatively poor who intend to imitate the habits and life-styles of the former. This is one of the manifestations of developing countries' obsession with Western way of life. Even domestic marketing strategies, mainly in the form of mass advertising, tend to focus on the affluence of this group which inevitably highlights the images of Western life-styles. These materialistic values imported from one socio-economic order to another at a lower stage of development often results in the misallocation of resources. Such misallocation also reflects some of the consequences of planning underpinned by an attitudinal orientation generated by capitalist growth models.

This is perhaps unavoidable not only because of Malaysia's long experience with colonial rule but also because of its existing economic and trading relationships with the industrialized countries. The contact between two different societies in which an economically advanced society dominates a less developed one, the life-styles of the former are often reproduced. This does not exclude institutions, political or social ones. A 'new culture'

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4. In relation to this, N. Keyfitz adds another dimension of development; i.e. 'as a diffusion of a certain culture and the dominance of a new class that carries that culture'. This additional component of development is exemplified by a 'drive toward a certain way of living; i.e. the style of life that we may call middle class or consumerist'. (Keyfitz, 1982:649-670).

consisting of new systems of production, political institutions are grafted into the traditional cultures by the sheer force of demonstrated superiority. Until to-day, we continue to consume many of the ideas, attitudes and values of the West. Not least amongst these are the consumption of 'Western' products.

THE INDUSTRIALIZATION PROCESS AND URBANIZATION

One of the ways to achieve what the industrialized countries had formerly gone through is to industrialize. The process of industrialization in Malaysia has been accelerated since the 1960s with the introduction of numerous fiscal incentives; particularly to attract foreign capital. Being dependent on primary products, Malaysia now sees the growth of industries as a logical step in its developmental efforts so that its population could be employed productively, and that living standards could be raised.

An important aspect of industrialization must be related to technology choice. Like any other developing country, Malaysia currently depends on developed country technology. The transfer of such technology and its diffusion into domestic industries, encouraged by foreign multinational companies, have created a state of technological dependence on the part of Malaysia (Anuwar Ali, 1983). But more importantly this dependence is also perpetuated by institutional bias. Generally policymakers and domestic industrialists passively accept technologies that are made available from the developed countries (Stewart, 1978:114-138). In the case of domestic industrialists, they may perhaps modify them slightly to suit local conditions. There is little evidence however to show that they want to introduce innovations that might challenge the dominance of imported technologies. But the willingness to innovate and experiment should be an important element in the process of development. And this is an important factor that seems to distinguish a developed economy and an underdeveloped one.⁵

Preference for developed country technology is related to familiarity with modern and sophisticated methods of production. There is also a 'status value' attached to these modern and sophisticated equipment. Decision makers such as plant managers, engineers and technicians at the firm level are generally familiar with modes of thought that originate from developed countries. They are substantially influenced by the orientation of the developed world which

5. According to Furtado, 'the development process involves either new combinations of existing factors at a given technical level or the introduction of technical innovations. The growth of a developed economy is, then, mainly a matter of accumulating new scientific knowledge and of advancing the technological application of such knowledge. The growth of underdeveloped economies, on the other hand, is a matter of assimilating techniques already extant'. (Furtado, 1967:61).

has increasingly become their source of textbooks, research articles, academic journals and other reading material. The effect is greater given the limited domestic availability of such sources.

Current decision making mechanisms therefore tend to favour the type of technology in use; i.e. favouring the use of developed country technology. This attitude on the part of decision makers makes an alternative technology appear economically inefficient. Once a particular system is established, it thus generates its own justification, making it increasingly difficult to establish an alternative system. Consequently there is little incentive to search for an alternative technology, or to modify imported technology to suit domestic factor endowments.

The generally capital intensive nature of developed country technology tends to be inappropriate for this country. The inappropriateness arises from differences in the economic and institutional structures between the industrialized countries and developing countries like Malaysia. When these techniques are transferred and diffused, the economies of developing countries become distorted when efforts are made to produce conditions for which the techniques were created. The organizational structure to which the developed country technology is designed has also meant that the use of this technology requires the implanting of developed country organizations. These 'organizations' are also imported via foreign investments, and in other areas they are imported indirectly via management agreements and/or the training of local personnel overseas. Developed country technology thus leads to developed country techniques of management. Such a situation can dampen the possibility of developing further domestic entrepreneurial talent. Above all, these organizational structures will become conduits of Western attitudes inculcated amongst the top-managers of foreign-owned subsidiaries.⁶ These structures seem to serve their interests (including other local elites) for such structures generate relatively high incomes for them; and at the same time they are also the major consumers of the products of this imported technology.

The tendency for the industrialization programme to be dominated by imported technologies can also be related to the needs of the more sophisticated and brand-conscious consumer demanding better quality products manufactured locally or preferably imported from developed countries. But these needs for 'modern' products only affect a minority; especially the rich in the big urban centres, whose consumption habits have

6. N. Keyfitz, *op. cit.*, argues that the 'kind of employment offered to senior local employees by the multinational is much more attractive than the work life of the innovator and entrepreneur of indigenous capitalism'.

been greatly influenced by the affluence in developed countries.

The demonstration effect on this class of consumer, affected by Western-oriented advertising, biases its choice towards products that are produced by developed country technologies. Such a bias is coincident with the interests of multinational companies which promote the global sale of their 'modern' products; and whose promotion inevitably requires dualism and inequality in the distribution of income. The production techniques and the products manufactured are therefore inseparable aspects of imported technology. The products designed for consumption in more affluent societies are transferred into this country where, on average, incomes are considerably lower.

During the present phase of Malaysia's economic growth, the process of industrialization and urbanization are closely related to each other. The process of urbanization in most developing countries displays characteristics of 'polarized urbanization' by which only a few urban centres experience economic growth; and Malaysia in this respect, is no exception.

A concentration of population in these few urban centres has come to be regarded by many as a logical pattern of development. This may be related to the concept that 'polarized urbanization' would be accompanied by a better economic performance of the major urban centre or centres since the lack of capital resources, technical expertise and skilled labour cannot be dispersed over too many urban centres (Brutzkus, 1974-75:633-653). Hence, the usual pattern to emerge is that a relatively very small number of urban centres or even one city, will tend to dominate the early industrialization programme in a developing country (Breese, 1966:53).

However, once growth has taken root in particular locations, they tend to attract resources away from the less developing areas. Capital investments gravitate there so that the establishment of more industries tend to create agglomeration economies that benefit these particular locations at the expense of the less developed areas. Public investments will generally be allocated in the former to establish numerous types of infrastructure facilities, including roads, hospitals and educational institutions. Skilled labour too will be attracted to these locations, thus subsequently creating adverse or 'backwash' effects in the less developed areas (Bagchi, 1982:237).

Having said that, we may now ask ourselves one important question; what is the most desirable pattern of industrial development? This question, however, cannot be answered fully without referring to the nature of the desired objectives that industrialization is supposed to achieve; for instance, its sectoral composition, and the social aims it is supposed to achieve.

As emphasized by the *Second Malaysia Plan* (1971-75) 'the introduction of modern industries in rural areas and the development of growth centres in new areas and the migration of rural inhabitants to urban areas are essential to

economic balance between the urban and rural areas and elimination of the identification of race with vocation as well as location' (Malaysia, 1971:45).

However, in view of the present phase of industrial development, we observe in reality that only a few urban centres⁷ in the west coast states of Peninsular Malaysia have developed industrially such that the main objectives of state policy as stated above appears to be inconsistent with each other. While aiming to achieve greater geographical dispersal of industries, the objective to eliminate the 'identification of race with vocation and location' has speeded up the migration of rural Malays to the fast-growing urban centres. In the short run, this pattern of migration appears to be unavoidable since, by implication, the policy objectives would have to encourage Malay migration from their 'traditional jobs in agriculture'. In fact this was later asserted in the Fourth Malaysia Plan (1981-85) when it stipulates that a major poverty eradication strategy is the 'the absorption of the rapidly growing labour force into higher income jobs in the industrial and services sector' (Malaysia, 1981:3).

With industries concentrated in the very large urban centres, with uneven development between them, the process of urbanization does not proceed in an orderly and synchronised manner. The process and its impact proceed with different tempos in different sectors and strata of society. It is also accompanied by increasing tensions and frictions of adjustment in attitudinal systems from the pre-urban ways of life. The establishment and agglomeration of industries in the urban centres wrest family members from their rural homes into a new environment. However, if the closeness and security of these ties are accepted as necessary values in society at any stage of its development, then measures preventive of their breakdown should be incorporated in development planning.

CONCLUDING REMARKS

Developmental efforts in a developing country like Malaysia should seek to achieve the socio-economic adjustments that will ensure rapid economic growth during which priorities must be given to achieving a more equitable distribution of income. Implicit in all this is the educational aspect of the development process, the principal objective being the capability of society to produce not only technicians and entrepreneurs but also individuals capable of releasing their potential under changing social conditions.

7. In this respect, Friedman argues that 'during the early periods of economic growth in developing countries, the organization of space is achieved only incompletely. There are a few cities of any size and those that do exist often do not form a complete system of economic interaction' (Friedman, 1959:167-179).

The fact that underdevelopment exists in some sectors of the economy and in certain sections of the population is partly rooted in planning, management and organizational problems. Policymakers, planners and administrators appear to be part of the problem rather than of any solution. For instance, they usually have a vested interest in the status quo and hence have little interest in propagating social change. By this, they are unlikely to attempt any redistribution of power or resources to those in real need. Their pursuit of 'economic growth' has not brought development in the sense of providing opportunities for the majority of the population to rise above the poverty line and thus to have a basis for a more meaningful life in society.

The need to industrialize, and hence foreign investments and imported technology, compels the country to accommodate the interests of the developed countries. At the same time, these needs seem to have influenced our economic thinking and perception of the whole development process. The systematic interaction between internal factors and external dependence reduces the capacity of the economy to act independently and that incapacity in turn diminishes the scope for redistributive policies.

There is thus a need for development planning to be reoriented if absolute poverty is to be reduced substantially as targetted by the government (Malaysia, 1976:73). For this purpose, a consistent programme should be formulated taking into account the income and employment aspects of development and 'basic needs' which include food, shelter, water supply, sanitation, health, and education. In this respect, there is a need for policy-makers and economic planners to look at absolute poverty from the perspective of satisfying basic needs, to identify deficiencies in basic need and to formulate programmes to satisfy them directly.

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