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## **Alleviating Bumiputera Poverty in Sarawak: Reflections and Proposal**

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### **Abstract**

*Malaysia has succeeded in reducing its overall incidence of poverty since the implementation of the New Economic Policy in 1971. Although there is a decline in the incidence of poverty in Malaysia, pockets of poverty continue to exist with high incidences of poverty among specific ethnic groups and localities. Official data reveals that the Bumiputera in general and the Bumiputera Minorities of Sarawak have high incidences of poverty. The key questions are: why is Bumiputera poverty deep and persistent? Why is it after more than thirty years of Government involvement in alleviating poverty, the Bumiputera of Sarawak are among the poorest in Malaysia? Why are some poverty-eradication programmes successful, while others are not? This paper will answer these questions by presenting the "voices" of the poor on the major causes of their poverty and the role of State in alleviating it. This paper also includes proposals on key strategies to bring about sustained reduction in poverty among the Bumiputera in Sarawak. The papers aim to provide clear statements of Bumiputera views, experiences and aspirations in relation to poverty and development in Sarawak.*

*Keywords: Bumiputera, Sarawak, hard-core poor, voices of the poor*

### **1. Introduction**

The recently published Government of Malaysia/UNDP report entitled "Malaysia, Achieving the Millennium Development Goals" (UNDP, 2005; Leete, 2005) comprehensively documents Malaysia's achievements in a number of socioeconomic spheres, particularly in poverty reduction. Malaysia has succeeded in reducing the incidence of poverty from 49.3 percent in 1970 to 5.7 percent in 2004 (Ninth Malaysia Plan, 2006: Table 16.1). Although the incidence of poverty is low in Malaysia, pockets of poverty continue to exist among the Bumiputera in general and the Bumiputera Minorities of Sarawak (Madeline 2001; Dimbab 2000; Jayum 2000; Nair, 2000). The key questions are: why is Bumiputera poverty deep and persistent? Why is it after more than thirty years of Government involvement in alleviating poverty, the Bumiputera of Sarawak are among the poorest in Malaysia? Why are some poverty-eradication programmes successful, while others are not? This paper will answer these questions by presenting the "voices" of the poor on the major causes of their poverty and the role of State in alleviating it. The paper relies on information gathered from focus group discussions and interviews with 60 poor men, single-mothers, elderly and youth in Sarawak. This paper also includes proposals on key strategies and programmes to bring about sustained reduction in poverty among the Bumiputera in Sarawak. The paper aims to provide clear statements of Bumiputera views, experiences and aspirations in relation to poverty and development in Sarawak.

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## 2. “Voices of the Poor” and Poverty Alleviation in Sarawak: A Reflection

This study uses a participatory research approach to gather the “voices of the poor”. Voices of the Poor provides a unique and detailed picture of the life of the poor and explains the constraints poor people face to escape from poverty in a way that more traditional survey techniques do not capture well (Narayan *et.al.*, 2000; Narayan, Chambers, Shah and Petesch, 2000)

Sarawak, the largest state in Malaysia, has achieved much success in alleviating poverty as reflected by a declining trend in the incidence of poverty. Between 1976-2002, Sarawak registered an annual reduction of 8.4% in incidence of poverty (Malaysia, various 5-year Development Plans). Sarawak reduces its incidence of poverty from 51.7% in 1976 to 12.8% in 2000. Despite its overall success, Sarawak is still straddled with a high incidence of poverty (Nair, among its Bumiputera communities, particularly the Bumiputera Minorities, which is a loosely-defined ethnic category introduced during the 8<sup>th</sup> Malaysia Plan. According to Madeline (2003), the Bumiputera Minority category includes the Iban, Bidayuh, Melanau and Orang Ulu (Kayan, Kenyah, Kelabit, Tagal, Ukit, Tagal, Lun Bawang, Lahanan). In 2002, about 36.4% of Iban, 33% of Melanau and 28% of Other Bumiputera as compared to 16.5% of Malays and 4.3% of Chinese are still living below the official poverty line.

The State and Federal Governments have introduced numerous programmes to address poverty. The key programmes are: (a) infrastructure, (b) human development, (c) economic services and (d) welfare. These programmes are recategorised into: (a) Mind Development Programme (Program Pembangunan Minda Insan – PMI); (ii) Training and Education Programme (*Program Latihan dan Pendidikan – PLP*); (iii) Supplementary Balanced Food Programme (*Program Makanan Tambahan Seimbang- PMTS*); (iv) Income Increase Programme (*Program Peningkatan Pendapatan*); (v) Housing Support Programme (*Program Bantuan Rumah- PBR*); (vi) Integrated Urban Community Advancement Programme (*Program Pemajuan Masyarakat Bandar Bersepadu – PPMB*); (vii) Pre-School Building Programme (*Program Bangunan TASKA*), (viii) Bumiputera Trust Fund (*Amanah Saham Bumiputera Sejahtera*, and (viii) In-situ Community Development Programme (*Program Pembangunan Masyarakat Setempat – PPMS*). In addition to these programmes, the State has indirectly addressed poverty through its rural and land development programmes.

The questions are: why is Bumiputera (Minorities) poverty deep and persistent? What is the impact of these poverty-eradication programmes? To answer these two questions, this paper relies on two sources: (i) Malaysia’s 5-Year Development Plans and reports, and (ii) information collected from focus group discussions to tap the “voices of the poor” which provided insights into their feelings of ill-being, isolation, exclusion, hopelessness and discrimination. The following section will briefly discuss the causes of poverty, analyse and reflect on efforts adopted by the State to alleviate poverty. There are various causes and impact of poverty in rural Sarawak, of which the key ones are remoteness, poor education, limited access to productive resources, poor leadership at the grassroots level, environmental degradation, low productivity and erosion of social and cultural values that forms the fabric of society. This paper recognises there are multiple causes of poverty.

What is the impact of poverty-eradication programmes in terms of addressing poverty in rural Sarawak? A detailed examination of these programme reveal a tendency for the Government agencies to adopt a “one-size-fits-all” approach. Many of these programmes were formulated and implemented based on a generalised conceptualisation of the causes and impact of poverty. Federal policies and programmes are conceptualised and designed based on Malay poverty in Peninsular Malaysia, giving the false impression that Malay poverty is similar to poverty experienced by the Penan, Ukit, Kayan, Lahan, Kejaman, Tanjung, Tagal, Tabun, Punan, Iban, Melanau and Malay in Sarawak, and the Bajau, Suluk, Kadazan-Dusun, Tidong, Idahan, Orang Sungei and Runggus in Sabah. Some of the programmes hardly take into account the multi-facetedness of poverty in a multi-ethnic society like Malaysia in general, and Sarawak in particular. Poverty varies according to location, strata, ethnicity, gender including age. The failure to recognise the multi-facetedness of poverty is partly due to what we consider as the “politicisation of poverty” and methodological (measurement of poverty, indicators) biasness in poverty identification. The poor are mostly identified based on information

collected through open registration using structured questionnaire. There is very limited use of participatory approach to identify the poor, thus ignoring the dynamics, politics and inter-play of causal factors of poverty in rural Bumiputera communities. The open-registration approach in poverty identification has the tendency to result in mistargetting of policies and programmes.

Many poverty-eradication programmes did result in increase in income and improvement in living conditions of the poor. Infrastructure projects have succeeded in increasing the access of the rural poor to basic infrastructure, such as road, water and electrification. While there has been an increase in the coverage of these amenities in rural Sarawak, their quality and delivery needs to be improved. The majority of rural communities have not received 24-hours electricity supply. Those households without electricity either use generators or kerosene lamps. The cost of RM300 per month for using these generators is far beyond the means of the rural poor. In terms of water, many use gravity pump and rain as their source of water supply. The supply of clean water is a critical issue in rural areas surrounded by large-scale oil palm plantations due to high usage of chemical fertilisers and pesticide. Undeniably, these land development schemes have provided the rural communities with basic infrastructure and employment opportunities, however, the number of poor who benefited from these schemes are relatively small because many of them lack the requisite skills or interest to work in these plantations. In the case of the Housing Support Programme, the poor are provided with building materials to build new houses or repair dilapidated ones. The two-bedroom houses built under this programme do not take into consideration the size of poor families which are generally larger as compared to the non-poor.

The Government introduced the Human Development Programme to improve human capital among the poor. The objective of the programme is commendable, however, its implementation needs further improvement. This programme is mostly focussed on "*mengubah minda golongan miskin*" (changing the attitudes of poor families). The poor were expected to develop a "positive" attitude after attending courses on attitudinal change. The short-duration of the courses (average three days) reflects the *ad-hoc* nature and lack of depth of this poverty-eradication programme.

Under Economic Services Programme, there are two sub-components, namely; income-generating projects and micro-credit. Income-generating projects involve increasing farm produce through agriculture projects, husbandry, poultry and fishery. This project is will succeed among farmers with market opportunities but otherwise for those without market access or located in remote areas. Micro-credit through *Amanah Ikhtiar Malaysia* (The Endeavour Trust of Malaysia) programme was proven to be successful in providing small capital for the poor. AIM's close co-operation with the Government, however, may influence access to its funds based on political affiliation. This programme also faced high dropout rate among borrowers due to what many *sahabat* (AIM members) claimed as the "emotional burden" of weekly repayment and collective collateral. Welfare handouts provided by the Welfare Department were reserved for single mothers, orphans, aged and disabled. One of the most commonly cited weakness of this programme is the delivery system. Poor delivery system is reflected by the lackadaisical attitude of some officers, the lengthy process and bureaucracy involved in applying, approving and disbursing of financial support to the needy.

The following section will forward some proposals to improve poverty-eradication programmes and mitigate some of the problems faced by the poor in rural Sarawak.

### **3. Proposals to Improve Poverty Eradication Programmes**

Having identified some of the limitations of existing poverty eradication programmes, this paper proceeds by making some general proposals to improve these programmes. One of the key recommendation is that poverty alleviating programmes should be formulated based on the multifaceted dimensions of poverty. Specially, this paper recommends that poverty alleviation programme need to (a) introduce a less burdensome financial programme, such as micro-insurance and micro-credit, (b) solve the problems of citizenship document, (c) strengthen community capacities (d) address problems related to land development, (e) address the problems of information deficit, and

(f) promote the concept of “ecological modernisation” to solve environmental degradation problems, (g) improving the services of government agencies and extension agents, and (h) promote Social Corporate Responsibilities

**(a) Introduce a less burdensome financial programme**

One way to address hard-core poverty is to introduce micro-credit and micro-insurance. Micro-credit scheme should continue but with some adjustment to relieve the “emotional burden” or stress among the *sahabat*. There is a need to change the existing ruling of using *sahabat* as guarantors, to include family members or next of kin. This approach is more practical because it provides certainties and feelings of assurance among the borrowers and *sahabat*.

The amount of allowances for single mothers, elderly and disabled people should be increased proportionate to the increase in inflation rate. The delivery mechanisms to distribute and collect the allowances should be changed to minimise the cost of collecting the allowance. There is also a need for the Government to look into alternative approaches to the welfare system. One such approach is the introduction of a micro-insurance for the needy and poor in the rural areas. This approach requires close collaboration between the Government and insurance companies.

Youth and women should be given wider opportunities to attend skilled training. During the period of training, some form of allowances should be given to the family of the participants to pay their opportunity costs forgone as a result of attending the course. Day-care centres nearby where the course is conducted should be provided on a free basis to the children of the single mother to ensure their willingness to become course participants. A special micro-credit scheme should also be given to those who have successfully attended and completed the course. Participants’ success results and reports can be used as collateral to the borrowers. This is in line with the Ninth Malaysian Plan aspirations to provide “Windows for Women”.

**(b) Solve the problem of citizenship documents**

In rural Sarawak, there are cases of the rural poor without any or sufficient citizenship documents, such as identity cards and birth certificates. Without identity cards, they are not eligible to apply for jobs or receive any form of Government assistance (scholarships, subsidies). The problem is long-lasting because it will affect the citizenship status of their children. Many children are barred from sitting in public examinations because they are without identity cards. Given that identity cards are necessary in most dealings with Government departments, those without these cards are technically “excluded” from development assistance and programmes and hastening their fall into the poverty trap. There is an urgent need for the Government and community leaders to take immediate action to tackle this problem.

**(c) Strengthen community capacities**

Community capacities include human, social, cultural, political capital including religious values. Development programmes need to be designed based using a participatory approach. Such an approach will create a sense of belonging towards the project, as opposed to one that is designed and implemented using a top-down approach. Unlike a project designed and imposed from outside, a project designed based on a participatory approach has the tendency to build on the strength and took into account the dynamics of the community. Too often Government programmes failed or lack sustainability because it was implemented without giving much attention to the social relations (gender, political and religious affiliation) in a community. It is necessary for poverty eradication programmes to incorporate the non-poor in the community for by doing so, it will foster stronger link and increase the “voices of the poor”. It is also necessary for the State and the community to strengthen community organisations, such as churches. One case in point is the active role played by Evangelical Assembly of Borneo or *Sidang Injil Borneo* (SIB) church in religious and social development. It has played an important role in community development (youth programmes, health,

and education, economic) and instilling a sense of opportunity or ambition in poor youth and families who are often marginalised and excluded from mainstream development programmes.

**(d) Address issues related to land development.** In Sarawak, one of the thorny issues in rural development is related to the "*konsep baru*" (new concept) land development. It involves developing Native Customary Rights (NCR) as plantations on a joint-venture with private investors. This approach involves the development of NCR land based on the 30:10:60 ratios between landowners, a Government agency (such as LCDA, SALCRA) and private sector, respectively. Despite its success in developing land and providing economic opportunities to the rural community, many continue to voice their dissatisfaction or resentment towards the schemes. Their resentment is mostly centred on the following: recognition of ownership of NCR land and issuance of land titles, the ratio of 30 percent to the landowners and the major shifts in the status from landowners to workers or minor shareholders in plantation companies. In view of the situation, there is a need for the State to address the long-standing problems of land titles of NCR land, and increasing the share of landowners in the land development projects, above the existing 30 percent ratio. It is also necessary to revive the functions of Village Cooperatives to play a more active role in land development. This is one way the community can be empowered to make decisions.

Sarawak has developed Rural Growth Centres (RGCs) as a way to address the problem of remoteness. There is a need to develop more RGCs in Sarawak. These RGCs should be developed and managed by one agency (instead of multiple agencies) to increase effectiveness and efficiency. "Moving to Opportunity Programme" can be introduced in these RGCs. This programme is an attempt to move the scattered and remote villages nearer to RGCs through giving of incentives such as providing basic amenities and employment to those willing to move.

**(e) Addressing problems of information deficit**

One of the problems faced by the rural poor is information deficit which is mainly due to accessibility (language, infrastructure, education). Information deficit has many implications; ranging from misunderstanding of Government policies and programmes to that of exclusion from development programmes and projects. Information deficit can create and aggravate tension, conflict and misunderstanding between the people and the Government. Information dissemination to rural communities, particularly in terms of opportunity should be improved. Biro Penerangan should reintroduce the practise of "*panggung percuma*" and providing free film and information service in rural villages. Radio and television programmes needs to be improved and to effectively function as important channels of information and knowledge dissemination among the rural poor. Unless, telecommunication can be provided cheaply and efficiently, than the internet can be another option.

**(f) Promote the concept of "ecological modernisation" to address environmental degradation**

Timber has always been a major source of export and employment in Sarawak. Some rural communities have voiced their deep concern over the impact of logging and large-scale commercial oil palm plantation on the environment and their livelihood. Undeniably, the State has made concerted efforts to address environmental degradation. One way to address environmental degradation is to initiate and strengthen partnership programmes between private and public sectors, for example, through the planting of non-timber products (NTBs), especially rattan, *engkudu* and medicinal plants which are much needed by the rural communities, but are rapidly depleting. It is also necessary for the State and private sectors to work together with local communities' to tap their indigenous knowledge to identify and manage forest resources which are of ecological, social, cultural and economic value. These resources should be documented as database and developed by experts. These identified plants can then, be propagated scientifically using biotechnology and planted in a semi-wild environment in a prescribed allocated lands close to the villages or *rumah panjai* (longhouses). The prescribed land is similar to the Iban's concept of *menua* which is a common property forest. The forest functions more than a hypermarket to the rural communities. It is where they get their supply of fresh meats,

vegetables, fruits, medicines and raw materials for longhouses, boats, utensils, handicrafts, including *keliring* (mausoleum) and coffins. Another approach is to develop a programme whereby students and trainees in all training institutions can be employed on part-time basis during school holidays, to plant trees. Developed countries like Canada have done this, and throughout the project, they have been successfully planting more trees than they are cutting.

The Government also need to enforce the creation of “Green Belt” areas between the logged forests and commercial plantations. This is to prevent the forest from being “pushed” further from the villagers or longhouses areas. Also, the “Green Belt” areas will cushion the environmental impact from continuous use of chemicals (pesticides, weedicides and fertilisers) on the livelihood of nearby communities and ecosystem. It also buffers the socio-cultural impacts of outsiders including foreign workers employed in the plantations, by at least distancing the local communities to external influences brought by outsiders. If not checked, this can cause persistent conflict and social problems. For example, many longhouse communities living along the Balui and Rejang rivers have voiced their concern over the presence of *ibu tinggal* (abandoned mothers) and *ibu tunggal* (single-mothers). Their numbers may be small, but if the situation is left unaddressed, these numbers may increase. These cases increase the burden of the already poor communities. Often the elderly parents and grandparents were imposed with the obligatory roles of supporting these single- unwed- and abandoned-mothers and their children creating the problems of “imposed guardianship”.

**(g) Improving the services of Government agencies and extension agents-** Extension agents play important role to ensure the success of programmes of projects.. Successful development programmes such as the Fisheries Development Authority Malaysia (*Lembaga Kemajuan Ikan Malaysia* or LKIM) project in Belawai, showed that Departmental leadership and commitment of extension workers at all levels, strongly influence the outcome of its development programmes. LKIM’s Belawai project has successfully created three *Nelayan Jaya* (successful fishermen), whose average monthly income is RM10,000. LKIM has provided them with support in the form of upgraded fishing fleets and equipment to enable them to expand their catching areas to more than 5 nautical miles. This case study clearly highlights the importance of dedicated, responsible, responsive and ethical government officers. It also underlines the need for the Government to improve its delivery and monitoring mechanism by inculcating “best practices” among its officers, particularly in dealing with the grassroots. This is in line with the National Integrity Plan that emphasises on good governance, accountability, transparency, responsiveness and integrity in the work place and delivery of services by Government agencies. This is a critical factor in ensuring the success and sustainability of any development programme.

Extension workers, such as the Penan Volunteers and the Village Health Representatives (*Wakil Kesihatan Kampung* or WKK) should be given quality and continuous trainings. Discussions with them revealed that they are not given duly recognition and are hired as contract workers with paid allowances of RM350 and RM 150 for Penan Volunteers and WKK respectively. As contract workers, they do not receive any perks, such as housing allowances, pension schemes and etc. The WKK do not even receive travelling allowances to collect medical supplies from the nearest medical centres. Some charged the longhouse communities 50 sen for every medical service rendered to finance their transportation cost to collect medical supplies. It is high time that their contribution be recognised parallel to their role in the community. Hence, it is recommended that the Penan Volunteers and WKK should be absorbed to the State Civil Service.

#### **(h) Promote Social Corporate Responsibilities (SCR)**

The concept of partnering between public and private sector has already well recognised and stated as part of today’s strategy towards attaining sustainable development under Rio Summit’s Agenda 21. One way this can be achieved is through promoting Social Corporate Responsibilities (SCR) to the profit-makers, the commercial oil palm plantations and logging companies by contributing financially to the whole community instead of just the community leaders. Currently, it is common practise for some logging companies to give some amount of “money” to community leaders (*ketua kampung*,

*tuai rumah*) to give consent to the companies to “move freely” in the forest. Some respondents viewed this act of giving token money as means to win over the community leaders, “quieten” the community and prevent them from erecting blockades and resisting logging activities in their vicinity. The Government can encourage SCR by allowing tax rebate from the amount spent by companies on SCR activities.

#### **4. Conclusion**

This paper shows there are many causes of poverty among the Bumiputera (Minorities), such as remoteness, absence of grassroot leadership, lack of off-farm work, environmental degradation, low education including information deficit. The government have introduced various programmes to eradicate poverty. Some have succeeded in addressing poverty, while others require further improvement. This paper strongly argues that Bumiputera poverty is multi-faceted. As such, poverty programmes need to take cognisance of this fact to ensure sustained reduction in poverty among the Bumiputera (Minorities) of Sarawak.

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