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NON-ECONOMIC FACTORS WHICH AFFECT ECONOMIC DEVELOPMENT OF RURAL MALAYS

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SYNOPSIS

This paper is a modest attempt to reexamine the views of Western Orientalists on the economic backwardness of the Malays. It has often been pointed out that the Malays lack initiative and hard work in their economic ventures and for these reasons they have not been able to be at par with the other ethnic groups in the country.

It cannot be denied that non-economic factors are important in achieving economic progress. Recent studies about the Malays have shown that the 'laziness' hypothesis is in many cases only "a myth" and that Malays do have initiative, the skill and are as hardworking as the rest of the population in their attempts to achieve economic progress.
Islamic values and ideals are consistent with economic progress and one must be cautious when attributing the dictum 'rezeki secupak tak bolih jadi segantang' in accounting for Malay economic backwardness.

Lack of infrastructure especially in marketing and transport coupled with the problems of the middle men has contributed to a large extent to the limited success of the Malays in economy. Moreover there still exists such institutions as the padi kunca and jual janji which further contribute to the hardship of the rural Malays.

Studies about the Malays of Peninsular Malaysia in particular and about the Malays of the Malay Archipelago in general have been done by western orientalists. Most of these studies have been concentrated on the cultural history of the Malays and their social, political and economic developments over the centuries. However very few studies have been done about Malay values and attitudes and how they affect their economic behavior.

The purpose of this paper is to examine some values and attitudes of the Malays and how they affect their economic development. It must be admitted that the scope is very wide and it is not possible for this paper to cover the entire scope. The following discussion is mainly confined to those aspects of values and attitudes that have often been discussed by western orientalists in relation to Malay backwardness in economic enterprise.

Malaysia is a polyethnic society with the Malays representing about half the total population of the country. In 1975 the total population of the country was estimated at 12,249,000. About 85% or 10,385,000 live in West Malaysia, 751,000 in Sabah and 1,113,000 in Sarawak. Of the total population in Malaysia, 54.7% are Malays and other indigenous people, 34.2% Chinese, 9.0% Indians and 21.1% others (a census category). In West Malaysia, 53.1% are Malays, 35.5% Chinese, 10.6% Indians and 0.8% others. In Sarawak, 63.4% are Malays and other indigenous people, 31.0% Chinese and 5.6% others. In Sabah 64.1% are indigenous people or Bumiputera, 21.5% Chinese and 14.4% others.¹

Ethnic specialization in economic activities is a phenomenon that has been attributed to the British policy at the dawn of the colonial era to fit into their divide and rule design in the Malay States. The Chinese and Indians were imported to work in the tin mines and rubber estates respectively while the Malays were encouraged to be better farmers than their forebears. A handful of Malays mostly from the Aristocracy class were specially trained to fill up a few top posts in the then Malayan Civil

Service. Majority of the Malays in Peninsular Malaysia to-day, are concentrated in the rural areas. On the east coast, the rural Malays are mostly fishermen while in the rest of the country they are either paddy planters or rubber tappers. Rice is mainly grown for household's consumption while rubber is grown as a cash crop. The following table shows how the various ethnic groups are distributed in terms of ownership and participation in the various key sectors in 1972/73.

It is in the rural areas that poverty is rampant. Rural poverty has become one of the pet topics among Peninsular Malaysian economists and since

**PENINSULAR MALAYSIA OWNERSHIP AND PARTICIPATION IN KEY SECTORS, 1972/73**

(percentage share in each sector)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Malay</th>
<th>Chinese</th>
<th>Indian</th>
<th>Others</th>
<th>Foreign</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modern agricultures (planted acreage, 1973)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rubber and oil palm</td>
<td>21.0</td>
<td>26.3</td>
<td>2.6</td>
<td>7.9</td>
<td>42.2</td>
</tr>
<tr>
<td>Coconut and tea</td>
<td>0</td>
<td>19.9</td>
<td>10.8</td>
<td>0.4</td>
<td>68.9</td>
</tr>
<tr>
<td>Industry (value of fixed assets, 1972)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mining</td>
<td>0.7</td>
<td>35.2</td>
<td>0.1</td>
<td>9.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6.9</td>
<td>32.5</td>
<td>0.8</td>
<td>14.0</td>
<td>25.8</td>
</tr>
<tr>
<td>Construction</td>
<td>2.4</td>
<td>85.6</td>
<td>1.4</td>
<td>3.8</td>
<td>6.8</td>
</tr>
<tr>
<td>Trade (turnover value, 1972)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale</td>
<td>0.8</td>
<td>55.0</td>
<td>2.7</td>
<td>0.6</td>
<td>46.9</td>
</tr>
<tr>
<td>Retail</td>
<td>3.6</td>
<td>75.6</td>
<td>6.5</td>
<td>0.2</td>
<td>14.1</td>
</tr>
<tr>
<td>Transport (value of fixed assets, 1972)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxi</td>
<td>40.6</td>
<td>34.7</td>
<td>18.0</td>
<td>1.7</td>
<td>0</td>
</tr>
<tr>
<td>Bus</td>
<td>18.0</td>
<td>54.3</td>
<td>1.6</td>
<td>16.5</td>
<td>9.6</td>
</tr>
<tr>
<td>Haulage</td>
<td>15.3</td>
<td>70.6</td>
<td>5.2</td>
<td>5.8</td>
<td>3.1</td>
</tr>
<tr>
<td>Professional establishments (annual revenue, 1973)</td>
<td>5.3</td>
<td>51.0</td>
<td>11.4</td>
<td>18.4</td>
<td>13.9</td>
</tr>
</tbody>
</table>

1 Incorporate and non-coperate sectors. Establishments are categorized on the basis of majority ownership. Government ownership is added to the Malay category as most of it is held in trust by public enterprises and agencies in rubber and oil palm, Governmental ownership excluding FELDA, is 0.9% and manufacturing, 5.0%.
2 Includes other Malaysians as well as establishments where no particular group owns more than 50% of the assets.
3 Includes FELDA which had a planted acreage of 526,900 in 1973 of which 96.2% was classified as Malay-owned and the balance as non-Malay, with Chinese holding 2.1% and Indians 1.6%.
4 Private establishments only. It includes doctors, dentists, lawyers, accountants, architects, engineers, surveyors and veterinary surgeons.


2 They were trained in the Malay College in Kuala Kangsar which lies to the north of the Federal Capital. To-day the College functions as a normal secondary school and is regarded as one of the premier schools in the country.
the attainment of independence, it has become a political issue. Quasi
government bodies such as Federal Land Development Authority, Federal
Industrial Development Authority, Federal Agricultural Marketing Au­
thority and rural development programmes have been launched to tackle
the problems of rural poverty.

The Malays have been generally described by western orientalists as
being lazy and lacking in values and attitudes which are conducive to
economic development. They like relaxation and ceremonies and fear
hard work. They still adhere to traditional methods of production and
irrational agricultural practices and thereby result in low productivity.
In short, Malay backwardness in economic enterprise has been attributed
largely to their negative values and attitudes towards economic develop­
ment. It is to be emphasised here that the above statements might be true
to only certain sections of the Malay population.

Looking at the cultural history of the Malays, one will notice that they
had been enterprising people. Malay civilisation was a trading one. They
had taken an active part in the trade within the Malay Archipelago with
the Chinese and Arab traders centuries before the coming of the west to
this part of the world. Besides marketing and trade, fishing and collecting
tin and jungle produce were the other main economic activities of tradi­
tional Malay society. The desire to trade is still to be found among the
Malays of today especially with the encouragement from the government.
However, it must be admitted that they have to face a stiff competition
from their Chinese and Indian counterparts.

In writing about the economic development of Vietnam, Ton That
Thien stressed the importance of hard work as one of the non-economic
factors besides political stability, security and order, leadership, dedica­
tion, realism and courage. In the context of Malay economic develop­
ment, hard work is also an important factor. Research conducted by
Rosemary Firth clearly revealed that Malay labour has been successful
on rubber plantations in the Kuala Pergau Estate in Kelantan. M.G.
Swift in his study of the peasant society in Jelebu while admitting Malay
backwardness in economic enterprise compared to other ethnic groups
also stressed that the Malays were capable of good work. The Malays have
been known to spend long hours in the rice fields and they took pride in

4 M.G. Swift, Malay Peasant Society in Jelebu, London School of Economics Mono­
graphs on Social Anthropology No. 29, University of London, The Athlone Press
5 Ton That Thien, ‘Some Non-Economic Factors in the Economic Development of
Underdeveloped Countries’. The Malayan Economic Review, Vol. V, No. I, April,
1960, p. 70.
6 Rosemary Firth, Housekeeping Among Malay Peasants, London School of Economics
Monographs on Social Anthropology No. 7 Second Edition University of London
tending their rice fields with care. It is a common practice in Malaysia for Malay rubber tappers to make their daily rounds from as early as 4.30 in the morning until late in the afternoon. Raymond Firth in his study of the Malay fishermen in Kelantan has shown that the fishermen were hardworking and small income derived from fishing did not reflect laziness on the part of the fishermen but might be due to such factors as the weather and the behaviour of fish shoals.

The Malays have often been blamed for their lack of energy in developing rice areas. It must be admitted that in certain areas rice fields have been neglected because the Malays have turned to the tending of their rubber small-holding. The Malays have rationalised that whereas rubber will yield a steady income, there is uncertainty in rice crops as they are liable to be destroyed by pests and drought. B.K. Parkinson in his study about the non-economic factors in the economic retardation of the rural Malays has also attributed laziness to Malay backwardness in economic enterprise. According to him, Malays resist new methods and techniques such as double cropping because they disturb their daily rhythms of life and that new methods and techniques involve too much work. Parkinson has also stressed that the Malays like to wait 'for a more propitious day' before starting work and this would cause delay. This is a gross misrepresentation of facts. Firstly, the fact that the Malays resist change is not because they are lazy but because of the inadequacy of extension work and lack of credit and marketing facilities. Secondly, whereas it must be admitted that some Malays are still superstitious in their agricultural practices, this certainly cannot account for their backwardness in economic enterprise in general. In his study about the Pahang Malays, William Wilder revealed that the rice farmers resisted double cropping because of the paya system which involved the problems of drainage. The Pahang Malays have been more interested in rubber tapping as it yields more returns.

Another concept which has often been associated with Malay economic backwardness by western critics is the concept of rezeki. This concept, according to them, has discouraged the Malays to strive for economic progress. It is true that Malays as Muslims believe that their prosperity

11 Rezeki approximately means economic destiny. There is such an expression in Malay as 'Rezeki secupak tak akan jadi segantang' which means that if one is destined by the will of God to receive one cupak of rice, he cannot get one gantang. One gantang equals eight lbs. and one cupak equals two lbs.
or rezeki is destined by the will of God. However, there is another concept which must also be considered in relation to rezeki which western critics have overlooked. This is the concept of ikhtiar. This concept encourages the Malays to find ways and means to achieve an end. It requires them to struggle and persevere to achieve success and not to give up at the first sign of failure. Only after all attempts fail can they attribute this failure to the concept of rezeki. It must be emphasised that the concept is often invoked by the Malays as a form of escapism. Peter Wilson in his research on Malay peasants in Jenderam Hilir revealed that the concept rezeki is not a major principle which determines economic decisions of the Malays in the area.12

Religion cannot be blamed for the backwardness of the Malays in economic enterprise. Wilder's research in Malaysia has revealed that 'consequences of religious belief do in fact show up as a degree of economic advancement, or as encouraging capitalistic values among villagers'.13 The pilgrimage to Mecca, the Holy Land, as one of the basic tenets in Islam, motivates Muslims to achieve the religo-economic goal of getting prosperous and thereby enable them to go to the Holy Land. The fact that more Malays are able to go to the Holy Land now shows that they have become more prosperous.

The search for wealth and material gains is not incompatible with Islam. The Malays do show concern about wealth. Wealth to them does not constitute material things that they possess only but also immaterial things such as education and happiness. Those who have many children are also considered to be wealthy because of the 'services' that the children would render to them when they grow up. Of material things, the house is the most highly valued material possession of the Malays and 'represents and encompasses values, emotions, motivations and sentiments' to them.14 Closely related to the concept of wealth is the propensity to save. Although traditional methods of saving such as tontine, kutu, the use of hollow bamboos and saving in the form of jewellery and cattle still exist, there is an increasing desire to use modern savings institutions such as the Post Office Savings Bank and Agricultural Bank. Saving in the form of cattle is still a common practice because cattle performs an economic function in the economic system of the village. In matters of spending, the Malays do exercise restraint and are not extravagant.15 Nowadays in the urban areas, the Malays prefer to hold a tea party in the western style rather than a customary feast during marriage ceremo-

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14 Peter J. Wilson (1968:116); see also Djamour (1959: 39,52).
15 Raymond Firth (1966:348).
nies to cut down expenditure. Even in the rural areas, modern feasts have to be curtailed in the interests of tapping work.\textsuperscript{16} Thus in appropriate circumstances, the Malays do exercise foresight in economic affairs and studies about the Malay fishermen in Kelantan by Raymond Firth revealed that the Malay fishermen did use prudent calculation.\textsuperscript{17} Money is spent more in buying equipment and improving fishing technique. In cases where Malays fail to save, this may be due to such factors as low earning power and problems of administrative procedure.

Malay village life is characterised by the absence of individualism. This is not, however, a feature common to the Malay world only. Peasant societies in other parts of the world have been generally characterised as being communalistic as opposed to the individualistic nature of the modern, industrialised and commercialised societies. It is true that Malay social organisation at village level is based on the spirit of co-operation. Members of the society have an obligation to help one another and in such a situation it is unlikely for any member to fall into penury. Among the Malays there are strong moral obligations to give economic assistance to kinsmen. The principle of interdependence is important especially in paddy growing and fishing. The success in the Rural Industrial Development Authority boatyards in Kuala Trengganu can be attributed to the spirit of co-operation and work group.\textsuperscript{18} The spirit of co-operation has given rise also to such traditional economic institutions as menyeraya\textsuperscript{19} and gotong royong.\textsuperscript{20}

It must be admitted that at village level there is a lack of specialisation in economic activities. The Malays are not willing to stick to one job and there is a psychological reason for this. More than one job means security and by having an alternative job, a guaranteed minimum level of consumption security is ensured. To the Malays dependent just on trade, for example, would be insecure because of the uncertainty of the business world. Thus because there are other incomes available to them, they refuse to specialise.

The Malays of the present era are “in transition.” They have begun to question the values of their culture and the validity of traditional methods and practices. It is not true to say that they are resistent to change but rather impressed by opportunities offered by change. In the technological field, change is noticeable in the use of modern machinery such as the use of Izeki in paddy areas. Raymond Firth has noted that in the fishing areas of the east coast, some notable changes have taken place. There is increasing use of the motor propulsion for fishing which has resulted in

\textsuperscript{16} M.G. Swift (1965:56).
\textsuperscript{17} Raymond Firth (1966:348)
\textsuperscript{18} Peter J. Wilson (1968:107)
\textsuperscript{19} Menyeraya means to help and the person helped is obliged to feed the workers.
\textsuperscript{20} Gotong royong means to help and the person helped is not obliged to feed the workers.
Sometimes community projects are carried out in the spirit of gotong royong.
greater productivity. The introduction of motor boats has made it possible for the fishermen to adopt net fishing. Cotton or ramie nets have been replaced by nylon nets. Thus it is clear that the Malays do appreciate new technology. In the rubber growing areas, the introduction of the rubber industry has certainly changed the village economic system whereby the Malay settlements are more stabilised and the economic basis of rural life is broadened. There is also an increasing number of Malay middle men who are moving into the finance of production and taking an active part in trade.

In conclusion, it can be said that rural poverty referred to in the earlier part of this paper and Malay economic backwardness cannot be attributed to their negative values and attitudes towards economic development. It has been emphasised that Malays do not fear hard work and the low income of fishermen is not due to lack of seamanship, fishing skill or mechanical ingenuity. Their economy is threatened by lack of access to suitable markets and exploitation. U.A. Aziz has attributed rural poverty to low productivity, exploitation and neglect. In some of the rural areas exploitation has been institutionalised in the form of jual janji and padi kunca.

References


23 Padi kunca is a form of borrowing which seeks to exploit the padi farmers. A padi farmer who needs money may get credit from a shopkeeper and he has to repay it in the form of padi. In the final analysis, the interest incurred in the transaction may amount up to 100%. Jual janji works on almost the same principle as pawning. When a farmer borrows money from a creditor, he surrenders his land title as security. If the amount with interest is not repaid within the stipulated period, then the land is deemed to have been sold to the creditor. Farmers are known to have been dispossessed of their lands through this system. See Syed Hussein Ali Malay Peasant Society and Leadership. Kuala Lumpur. Oxford University Press, 1975, p. 82. See also Charles Gamba, Poverty and some socio-economic aspects of hoarding, saving and borrowing in Malaya. The Malayan Economic Review, Vol. III, No. 2, Okt. 1958, pp. 45, 46, 47.

