

INDEX

A

- Aboriginal Peoples Act, 393
ACCCIM. *See* Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)
ACFTA. *See* ASEAN-China Free Trade Area (ACFTA)
ACIA. *See* ASEAN Comprehensive Agreement on Investment (ACIA)
Action Plan for industrial Technology Development (APITD), 81
AEC. *See* ASEAN Economic Community (AEC)
AFAS. *See* ASEAN Framework Agreement on Services (AFAS)
AFC. *See* Asian Financial Crisis (AFC)
AFFIRM Framework. *See* Awareness, Faculty, Finance, Infrastructure, Research and Marketing (AFFIRM) Framework
affordable housing provision, 426–27
AFTA. *See* ASEAN Free Trade Agreements (AFTA)
agglomeration effects formation, 380, 383
agricultural sector in Malaysia, 70, 318–20
commodities, production of, 72–73
development expenditure, 67, 68
exports, 69
land use by major crops, 74
policy, 66, 68
productivity, 60
agro-industrial products, 70
airport sector, plans and initiatives, 177
AJCEP Agreement. *See* ASEAN-Japan Comprehensive Economic Partnership (AJCEP) Agreement
Alliance Model, 263, 265
Annual Report of Government Transformation Programme report on crime, 425
APEC. *See* Asia-Pacific Economic Cooperation (APEC)
APITD. *See* Action Plan for Industrial Technology Development (APITD)
aquaculture, 320
Article 153 of the Constitution, 269

- arts *vs.* technical and science graduates, 41
- ASEAN. *See* Association of Southeast Asian Nations (ASEAN)
- ASEAN-China Free Trade Area (ACFTA), 258
- ASEAN Comprehensive Agreement on Investment (ACIA), 245–46
- ASEAN countries, 231–33, 235–36
 export and import cost, 240
 trading costs and characteristic of trading environment in, 238
- ASEAN Economic Community (AEC), 227–30
 free flow of goods, 235–42
 free flow of investment, 245–48
 free flow of services, 242–45
 free flow of skilled labour, 248–49
 historical account of establishment, 229
 Malaysia's rationale to participate in, 231–34
 participating in, 234–35
 provisions and essential elements, 230
- ASEAN Economic Community Blueprint, 229, 235, 249
 equity targets and parameters in, 246
 implementing, 22
 liberalization efforts in, 235
 parameters for ASEAN countries, 242
- ASEAN Framework Agreement on Services (AFAS), 242
 market access requirements in, 244
 MRAs in, 248
- ASEAN Free Trade Agreements (AFTA), 228, 258
 trade agreement signed and under negotiation, 251
- ASEAN-Japan Comprehensive Economic Partnership Agreement (AJCEP), 257–58
- ASEAN-Japan negotiations, 257
- ASEAN Secretariat, 249
- ASEAN Single Window (ASW), 237
 summary of implementation, 238
- ASEAN Summit (1992), 228
- ASEAN Trade in Goods Agreement (ATIGA), 235
- Asian Financial Crisis (AFC), 94, 105, 106, 115, 135, 276, 358, 360
 and Malaysian economy, 6, 10
- Asia-Pacific Economic Cooperation (APEC), 237
- Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM), 224
- Association of Southeast Asian Nations (ASEAN), 111
- ASW. *See* ASEAN Single Window (ASW)
- ASW Pilot Project and Expanded Data Model, 237
- ATIGA. *See* ASEAN Trade in Goods Agreement (ATIGA)
- average annual manufacturing labour productivity growth, 80
- Awareness, Faculty, Finance, Infrastructure, Research and Marketing (AFFIRM) Framework, 323
- B**
- Badawi, Abdullah, 345
- Balance of Payments (BOP) data, 105
- Bali Concord II in 2003, 248
- Bank Negara Malaysia, 84, 196–97, 200
- banks
 consolidation, 200–1
 deposit insurance, 202–3
 Islamic, 203
 NPLs of, 197–98
 prudential regulation of, 201–2
 recapitalization of, 199

- Bantuan Rakyat 1Malaysia (BR1M) scheme, 311
- Barisan Nasional (BN), 266, 268, 273, 285
- bilateral air service agreements, 114
- bilateral Free Trade Agreements, 250
- bin Mohamad, Mahathir, 7, 195
- biodiversity data, 327
- BN. *See* Barisan Nasional (BN)
- BOP data. *See* Balance of Payments (BOP) data
- British Malayan colonies, 264
- British post-War colonial politics, 264
- BR1M scheme. *See* Bantuan Rakyat 1Malaysia (BR1M) scheme
- broadband household penetration rate in Malaysia, 223
- broadband service in Malaysia, 224
- Bumiputera Commercial and Industrial Community, 376
- Bumiputera community, 347
- Bumiputera income inequality, 374
- Bumiputera ownership, 34, 35
- Bumiputera policy, 7, 25n6
- Bumiputera students, 349
- Bumiputera wealth, 34
- business environment in Penang and Johor, 288, 289
- Business Services sector in ETP, 221
- C**
- capital controls, 196–97
- Capital Market Master Plan (CMMP), 204
- capital market reforms, 204–5
- CDRC. *See* Corporate Debt Restructuring Corporation (CDRC)
- ceiling, manufacturing, 47
- Central Bank, 84
- Central Bank Annual Report 2009*, 106
- Central Forest Spine, 327
- centralism *vs.* federalism, 268–69
- CEPT utilization rate, 241–42
- CGPA. *See* combined grade point average (CGPA)
- Chinese Communist Party in China, 264
- Chinese inequality, 374
- CITES. *See* Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES)
- clientelism, 48
- climate adaptation efforts, 325
- climate resilient growth strategy, developing, 325–26
- clusters formation, 380, 383
- CMMP. *See* Capital Market Master Plan (CMMP)
- coastal management, 327
- colonialism, 270
- combined grade point average (CGPA), 343
- commercial vehicles, in Malaysia, 423
- commodities, production of, 71
- communalism, 270
- communism, 270
- conservation efforts, 327
- conspicuous consumption, 320
- Constitution (Amendment) Act of 1971, 267
- constitutional amendments, 266–68
- constitutionalism, 270
- Constitution attributes, 283
- construction, 320
- Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES), 323
- coping, with urban challenges, 428–34
- coral reefs, 327
- Corporate Debt Restructuring Corporation (CDRC), 195–99
- corporate governance, 205
- corporate social responsibility, 385

- corporatization of higher education, 362
 cost sharing system, 355, 367n2
 CPO. *See* crude palm oil (CPO)
 crime rate in Malaysia, 425
 reducing, 431–32
 crude palm oil (CPO), 70
 “cul-de-sac” argument, 46
 cumulative aggregate growth rate (CAGR), private and public, 38
 curriculum reforms in 1995 and 1999, 338
 cynicism, 270
- D**
- Danamodal, rationale for, 197–98
 Danharta, rationale for, 197–98
 debt of corporations, restructuring, 199
 decentralization, 331
 Declaration of the ASEAN (Bali) Concord II (2003), 228
 degree of inequality, 374
 deindustrialization, 61
 demand for infrastructure, 179
 Democratic Action Party, 266
 Department of Orang Asli Development, 391
 “dependency model”, 86n4
 deposit insurance, 202–3
 Dewan Negara, 285
 DIA. *See* direct investment abroad (DIA)
 Digital Economy rankings, 224
 direct investment abroad (DIA), 248
 by sectors, 107
 in services, 106
 domestic banks, asset size and market capitalization of, 201
 domestic investment, 16, 136–38
 “dualistic-development model”, 86n4
- E**
- East Asian NIEs, 233
 East Coast Economic Region Development Council (ECERDC), 180
 eco-labelling scheme, 324
 ecological linkages, 327
 e-Commerce sector, 223
 economic achievements of MSC Malaysia, 213–14
 Economic Community initiative, 231
 economic crisis in mid-1980s, 228
 economic development and transformation of Malaysia, 1–3
 arts *vs.* technical and science graduates, 41
 Bumiputera ownership, 34, 35
 Bumiputera wealth, 34
 clientelism, 48
 employment statistics, 33
 employment status, 30
 ethnicity, employment status by, 33–34
 expenditure, consumption, investment, 39
 Gini coefficient, 29
 income grouping, mean gross household incomes by, 31
 industrial economies, 50
 industrial policy, 50
 industries, low level of skills in, 43
 infrastructure for sciences, 44
 inter-ethnic average income ratios, 30
 inter-ethnic household income ratios, 31
 inter-ethnic occupational disparities, 31
 Malaysian economic growth performance, 34, 35
 Malaysian economy, 27, 51
 Malaysian society, transformation of, 27
 manufacturing ceiling, 47
 “middle-income trap” hypothesis, 49

- NEP, 30
- occupations by ethnicity, 32
- poverty rates, 28, 29
- private and public CAGR, 38
- private investment, 36, 37
- producer surplus, 48
- productivity and wage rates, 50
- R&D investments, 45
- “rent-seeking”, 48
- sector, employment by, 29
- semi-skilled and unskilled jobs, 42
- SIJORI, 46
- skilled expatriates, departure of, 44
- technical and vocational graduates, lack of, 41
- university/tertiary graduates, lack of, 40
- economic empowerment, 330
- “economic enabler” position in Malaysia, 211
- economic growth, 118
 - sources of, 121–28
- economic growth and structural change, 61–64
 - agriculture, 64–74
 - manufacturing, 75–77
 - services, 82–84
 - trade performance, 77–82
- Economic Planning Unit (EPU), 188
- economic policy, broadening of, 273–74
- economic profile, Malaysia, 162
- economic recovery, 205–7
- “economic sweet spots”, 94
- Economic Transformation Plan (ETP), 85
- Economic Transformation Programme (ETP), 8, 13, 151, 152, 221, 234, 277, 296, 311, 332
 - growth target, 422
- Economist Intelligence Unit’s Digital Economy ranking for Malaysia, 224
- education
 - investment in, 148
 - level of, 392
 - for low-income households, 384–85
- Education Act 1961, 338
- Education Act 1996, 338
- educational landscape of Malaysia, 342
- Education Blueprint 2013–25, 346
- education saga of Malaysia, 339
- education system, 18–19
 - of Malaysia, 339, 343, 349
 - policy recommendations, 23
- Eighth Malaysia Plan, 68
- electric-electronics industry, labour productivity of, 81
- electricity, infrastructure growth, 171, 174–75
- elite higher educational system, 356
 - transition to mass higher education, 359
- Emergency (Federal Constitution and Constitution of Sarawak) Act 1966, 267
- Emergency (Essential Powers) Ordinance No. 2, 1969, 267
- Emergency Powers (Kelantan) Act of 1977, 267
- employed internal migrants
 - percentage distribution of, 380–82
- Employees Provident Fund (EPF), 310, 386, 388
- employment
 - services share in, 96
 - statistics, 33
 - status, 30
- Employment Act 1955, 402, 406
- energy constraints and pollution, 320–22
- energy sector, issues of, 177
- Entrepreneurial Development Unit, 293
- environment, 18
 - and quality of life of people, 432–33

- environmental conservation, 328
 policy recommendation, 23
- Environmental Impact Assessment, Local Agenda 21 (LA 21), 433
- environmental initiatives, 323–24
- Environmental Performance Index, 315
- Environmental Quality Act 1974, 433
- EPF. *See* Employees Provident Fund (EPF)
- EPU. *See* Economic Planning Unit (EPU)
- equity constraints, progressive liberalization of, 106
- ethnic disparities, 384
- ethnic income distribution, 374
- ethnicity
 employment status by, 33–34
 occupations by, 32
- ETP. *See* Economic Transformation Plan (ETP); Economic Transformation Programme (ETP)
- European Economic Community, 229
- Excellent Student Scheme, 358
- expatriates. *See* high-skilled workers
- export
 composition of, 69, 70
 earnings of primary commodities, 69
 market in Malaysia, 231
- extended coalitionism, 266–68
- F**
- farming/production subsystem, 71
- FDI. *See* foreign direct investment (FDI)
- federalism, 279–81
- federalization of water, 331
- Federal Land Consolidation and Rehabilitation Authority (FELCRA) model, 393
- Federal Land Development Authority (FELDA), 66, 319
- federal-state relations, 330–31
- federal system of Malaysia, 18, 279, 282–85
- Federal Territories Foundation, 310
- Federation of Malaya Agreement, 266
- FELCRA model. *See* Federal Land Consolidation and Rehabilitation Authority (FELCRA) model
- FELDA. *See* Federal Land Development Authority (FELDA)
- female migrants, 398
- FIC investment guidelines. *See* Foreign Investment Committee's (FIC) investment guidelines
- Fifth Malaysia Plan, 66, 68
- financial reforms, 192–93
 alternative policy recommendations, 193–95
 bank consolidation, 200–1
 banking system, recapitalization of, 199
 capital controls, 196–97
 Danharta, Danamodal and CDRC, rationale for, 197–98
 debt of corporations, restructuring, 199
 economic recovery, 205–7
 financial system, measures for stabilizing and restructuring, 201–5
 Second Ten Year Financial Sector Blueprint, 207–8
- Financial Sector Master Plan (FSMP), 203, 204
- financial system, measures for stabilizing and restructuring
 capital market reforms, 204–5
 corporate governance, 205
 deposit insurance, 202–3
 foreign participation in financial services, 203–4

- Islamic banking in Malaysia, 203
 prudential regulation of banks,
 201–2
- financing higher education, 354–55
 shifting trends in, 355–59
- finite non-renewable resource, 79
- firm-level studies/reports,
 summary of, 127
- First Malaysia Plan, 163–64, 356
- First National Agricultural Policy
 (NAP1), 66, 68
- fiscal federalism literature, 280
- fiscal reforms, 21–22
- Five-Year Malaysia Plans, provision
 of housing, 426
- food products, 70
- foreign capital, 62, 75
- foreign direct investment (FDI), 9,
 16, 58, 374
 inflows to China and Malaysia,
 231–32
 inward, 138–42
 outward, 142–45
 over-reliance on, 146
- foreign equity ownership, 106, 247
- Foreign Investment Committee's
 (FIC) investment guidelines,
 246
- foreign inward investment, 138–42
- foreign outward investment,
 142–45
- foreign participation, in financial
 services, 203–4
- foreign policy, 256–59
- Foreign Portfolio Investments
 (FPI), 193
- foreign private investment, 16
- foreign workers, 109
 by sectors, share of, 108
 by source countries, share of,
 109
- FPI. *See* Foreign Portfolio
 Investments (FPI)
- free flow of goods, 235–42
- free flow of investment, 245–48
- free flow of services, 242–45
- Free Industrial Zone, Penang,
 Companies' Association
 (FREPENCA), 294
- free trade agreements (FTAs), 256
- FSA. *See* full service airlines (FSA)
- FSMP. *See* Financial Sector Master
 Plan (FSMP)
- fuel efficiency of rail, 185
- full service airlines (FSA), 114
- G**
- GATS, 243
- GDP. *See* gross domestic product
 (GDP)
- general road accident data, in
 Malaysia, 424
- Gini coefficient, 29
- Gini ratio, 19, 372, 373
- GKL. *See* Greater Kuala Lumpur
 (GKL)
- GLCs. *See* government-linked
 companies (GLCs);
 government-linked
 corporations (GLCs)
- GLC Transformation Programme,
 152
- globalization, inequalities driver,
 375–77
- global medical tourism market,
 share in, 103
- GNI. *See* gross national income
 (GNI)
- government activities,
 rationalization of, 130
- Government Funding Act 1983, 310
- government-linked companies
 (GLCs), 106, 108, 131, 132
- government-linked corporations
 (GLCs), 16, 22, 143, 146–47,
 151, 158n5, 311
- Government Transformation
 Programme (GTP), 7–8, 221,
 329
- features, urbanization, 428
 for Orang Asli, 394
 urban management, 20

- Greater Kuala Lumpur (GKL)
 affordable housing provision, 427
 public transportation system, 424
 quality of life index, 421–22
 survey on urbanization, 420
- Green Revolution (GR) technology, 74
- gross capital formation, Malaysia, 136
- gross domestic product (GDP), 58, 93, 134–35
 economic recovery in Malaysia, 205–7
 sectors contribution, 10, 14
 share, 121
 Southeast Asia, 4–5
 structural change in, 10
 structure of, 63
- gross economic impact of MSC Malaysia, 214
- gross enrolment in higher education, Malaysia, 341
- gross fixed capital formation, Malaysia, 137
- gross national income (GNI), 57, 151, 221
- growth accounting for Malaysia, 122
 services subsectors, 123–25
- growth and liveability, 20–21
 affordable housing provision, 426–28
 public transport infrastructure, 422–25
 quality of life, spiralling decline in, 421–22
 social crimes, 425–26
 urban challenges, coping with, 428–34
 urbanization, 419–21
- growth and modernization, 170–71
 electricity, 174–75
 ports, 173
 railways, 172–73
 road network, 172
 telecommunications, 174
 water supply, 175
- growth, productivity
 challenges and policy options, 128–32
 sources of, 121–28
 and structural change, 119–21
- growth record of Malaysia, 340–43
- growth strategy, in 10MP, 129
 innovation, 129
 microeconomic reforms to private sector, 129
 rationalization of government activities, 130
 SME development, 130
- growth targets, performance and, 128
- GR technology. *See* Green Revolution (GR) technology
- GTP. *See* Government Transformation Programme (GTP)
- Gurney, Henry, 265
- H**
- Heavy Industries Corporation of Malaysia (HICOM), 77
- higher education
 growth and financing, 19
 and privatization, 19
- high-skilled workers, 397, 399–400
- Hindu Rights Action Force (Hindraf), 269
- Household Incomes and Basic Amenities Survey Report of 2009*, 274
- Housing Development (Control & Licensing) Act 1966 (Act 118), 433
- housing provision, affordable, 426–27
- Human Rights Commission, 318
- Human Rights Watch (2011), 403
- Hussein, Hishammuddin, 345
- Hussein, Tun Abdul Razak, 266

- I**
- IADPs. *See* Integrated Agricultural Development Projects (IADPs)
- IAEA. *See* International Atomic Energy Agency (IAEA)
- ICT. *See* information and communications technology (ICT)
- ICT Agenda, 211–12
- illegal workers, 404–6
- IMF. *See* International Monetary Fund (IMF)
- Immigration Act of 2002, 397
- IMP. *See* Industrial Master Plan (IMP)
- IMP2. *See* Second Industrial Master Plan (IMP2)
- IMP3. *See* Third Industrial Master Plan (IMP3)
- imperialistic exploitation, 60
- income distribution, 371–72, 387–88
factors explaining, 374–83
policy suggestions for
improvement, 384–86
between urban and rural areas, 372
- income grouping, mean gross household incomes by, 31
- income inequality, 19–20. *See also* income distribution
trends in, 372–74
- independent power producers (IPPs), 177
North-South Expressway Concession and, 184
- Indian Chamber of Commerce, 265
- Indonesia, average costs for exports in, 239
- Indonesian migration to Malaysia, 399, 402–3
- industrial economies, 50
- Industrial Master Plan 3, 234, 243
- Industrial Master Plan (IMP), 59, 75
- industrial policy, 50, 81
- Industrial Relations Act (IRA), 378, 402
- Industrial Technology Institute, 294
- industries
associations, 294–96
low level of skills in, 43
- inequalities, drivers of
clusters and agglomeration effects formation, 380, 383
internal migration process, 379–82
labour market policies, 378–79
state-government-party collusion, 383
trade and globalization, 375–77
- infant mortality rate, 392
- INFAPRO, 326
- inflation rate, present Malaysian economy, 3
- information and communications technology (ICT), 211
- infrastructure, 16–17, 161–63
achievements and challenges, 178–88
development in, 178–79
growing demand for, 179
growth and modernization of, 170–75
investment in, 163–70
public transport in urban areas, 185–86
rail transport, promotion of, 185
regional ambitions, 186–88
regulators, 182–83
sector modernization, 180
sector, plans and initiatives, 176–78
socio-economic considerations, 179–80
urban areas, promoting public transport in, 185–86
user charges and tariffs, 184–85
- infrastructure development (1966–90)
pre-privatization phase, 165–67

- private sector participation, 167–70
 - infrastructure sector, 176
 - energy, 177
 - plans and initiatives, 176–78
 - rural infrastructure, 178
 - sewerage, 177
 - telecommunications, 177
 - transport, 176–77
 - innovation, promotion of, 129
 - Institute of Management Development, 293
 - institutes of higher learning, Malaysia, 348
 - Institut Teknologi MARA (ITM), 357
 - Integrated Agricultural Development Projects (IADPs), 66
 - integrated solid waste management, federalization of, 326
 - inter-ethnic average income ratios, 30
 - inter-ethnic household income ratios, 31
 - inter-ethnic occupational disparities, 31
 - Interim Marine Water Quality Standards, 321
 - internal migration process, 379–82
 - Internal Security Act 1960, 267
 - International Atomic Energy Agency (IAEA), 322
 - International Monetary Fund (IMF), 10, 193–97
 - inter-sectoral dynamics of structural change, 63
 - intra-ASEAN trade, 250
 - intra-Asian FTAs, ROO in, 250
 - intra-Malay educational inequalities, 367
 - investment, 134–35, 156–57
 - domestic, 136–38
 - in education and training, 148
 - foreign inward, 138–42
 - foreign outward, 142–45
 - private, 145–55
 - and savings, 144
 - investment, infrastructure, 163–65
 - pre-privatization phase, 165–67
 - private sector participation, 167–70
 - IPPs. *See* independent power producers (IPPs)
 - IRA. *See* Industrial Relations Act (IRA)
 - Islamic banking, in Malaysia, 203
 - ITM. *See* Institut Teknologi MARA (ITM)
- J**
- Jaafar, Onn, 282
 - Jala, Idris, 271
 - Japanese Occupation, 264
 - Japan-Malaysia Economic Partnership Agreement (JMEPA), 257
 - Johnstone, Bruce, 367n2
 - Johor Business and Industry Club (BISTARI) in 1991, 295
 - Johor SEDC, 291, 293
 - Johor Skills Development Centre, 294, 296
- K**
- K-economy. *See* knowledge-based economy (K-economy)
 - kerajaan berparti, concept of, 266
 - Key Performance Indicators (KPIs), 181
 - Klang Valley, 297
 - KLCI. *See* Kuala Lumpur Composite Index (KLCI)
 - KLK. *See* Kuala Lumpur Kepong (KLK)
 - knowledge-based activities, 75, 86
 - knowledge-based economy (K-economy), 211, 214–16
 - factors, 218–19
 - labour market, 219
 - knowledge-based economy Master Plan, 217–21

- Knowledge Infrastructure report, 83
- knowledge-intensive services, 110
- KPIs. *See* Key Performance Indicators (KPIs)
- KTMB network, 172
- west coast line of, 176
- Kuala Lumpur Composite Index (KLCI), 6
- Kuala Lumpur Kepong (KLK), 143
- Kuala Lumpur Municipal Election (1952), 265
- Kuala Lumpur stock exchange, 291
- Kulim, 143
- L**
- labour-intensive export-oriented industrialization approach, 376
- labour-intensive services, 110
- labour markets, 347, 349
- competition, 385
- policies, 378–79
- labour mobility competition, 385
- labour productivity growth, Malaysia, 14–15
- of electric-electronics industry, 81
- labour scarcity, 378
- land constraint, 316–17
- land development schemes, 319
- land security, lack of, 392–93
- LCC. *See* low cost carrier (LCC)
- levelling taxes, 386
- liberalization, 22
- Likert scale, 288
- liveability, growth and. *See* growth and liveability
- Loan (Local) Act 1959, 310
- Local Government Act 1976 (Act 171), 268, 433
- logging, 318
- “Look East” policy, 256, 275
- low cost carrier (LCC), 114–17
- low-income households, quality education for, 384–85
- low-skilled workers, 397, 400
- perils of, 402–4
- Lynus, 141
- M**
- MAABI. *See* Ministry of Agriculture to Ministry of Agriculture and Agro-based Industry (MAABI)
- macro data evidence, 121–26
- macroeconomic indicators, 206
- Mahathir Mohamed era, 269
- Majlis Tertinggi (Supreme Council), 266
- Malayan Chinese Association (MCA), 263
- Malayan Civil Service, 268
- Malayan Communist Party (MCP), 264
- Malayan Democratic Union (MDU), 265
- Malayan Indian Congress (MIC), 263
- Malayan Peoples’ Anti-Japanese Army (MPAJA), 264
- Malay Dilemma, The* (Mohamed), 267
- Malaysian Administrative Modernization and Management Planning Unit (MAMPU), 225
- Malaysian Ambient Air Quality Guidelines, 322
- Malaysian Atomic Energy Licensing Board (AELB), 322
- Malaysian Communication and Multimedia Commission (MCMC), 177
- Malaysian community, 224
- Malaysian companies, 245, 248
- Malaysian construction sector, 245
- Malaysian Deposit Insurance Corporation Act 2005, 203
- Malaysian economic development income distribution, 371–72
- old *vs.* new approach, 153
- Malaysian economic growth performance, 34, 35

- Malaysian economy, 27, 51, 212, 221, 222
 ETP, 8
 GDP, Southeast Asia, 4–5
 growth rate, 3, 6, 9–10
 GTP, 7–8
 inflation rate, 3
 middle-income trap, 6–7
 1970–2000, 9–10
 resource balance, GDP percentage, 11
 Sixth Malaysia Plan, 7
 structure of, 120
 Tenth Malaysia Plan (2011–15), 8
 2001–10, 11–12
 Vision 2020, 7, 8
 Malaysian education policy, 366
 Malaysian exports, 240
 Malaysian federalism, 328
 Malaysian Federation, 313
 Malaysian government, 193, 195, 196, 207, 243
 bilateral FTAs, 250
 cost sharing system, 355
 outflows of FDI, 142
 Malaysian graduates, 347
 Malaysian independence, 264
 Malaysian Industrial Development Authority, 286
 Malaysian industrialization project, 82
 Malaysian Institute of Microelectronics Systems (MIMOS), 82
 Malaysian Islamic Chamber of Commerce, 295
 Malaysian labour laws for migrant workers, 398, 402, 404–6
 Malaysian Mining Corporation (Maminco), 62
 Malaysian politics, 17
 Malaysian Qualification Agency (MQA), 349n11
 Malaysian service operators, 82
 Malaysian SMEs, 257
 Malaysian society, transformation of, 27
 Malaysian students' abilities, 344
 Malaysian traditional communal activity, 329
 Malaysian workers, 348
 Malaysia Productivity Corporation (MPC), 130
 Malay subsistence farmers, 64
 male migrants, 398
 Maminco. *See* Malaysian Mining Corporation (Maminco)
 MAMPU. *See* Malaysian Administrative Modernization and Management Planning Unit (MAMPU)
 manufacturing driven economy, 12–13
 manufacturing export, composition of, 79
 manufacturing sector, 99, 111
 policy recommendations, 21
 productivity in, 131
 MARA Study Loan Scheme, 368n5
 marine fishery resources, 321
 maritime sector, initiatives in, 176
 market access requirements in AFAS, 244
 mass higher education, 358, 359
 mass rapid transit system, 324
 MCA. *See* Malayan Chinese Association (MCA)
 MCMC. *See* Malaysian Communication and Multimedia Commission (MCMC)
 MCP. *See* Malayan Communist Party (MCP)
 MDU. *See* Malayan Democratic Union (MDU)
 mean gross household incomes by income grouping, 31
 Memoranda of Understanding (MoUs), 400–1
 Merchandise Trade, Malaysia
 1980–2010, 12
 2001–11, 5

- “meritocracy”, 345
 MFA. *See* Multi-Fibre Agreement (MFA)
 MIC. *See* Malayan Indian Congress (MIC)
 micro data evidence, 126–28
 microeconomic reforms to private sector, 129
 “middle-income country trap”, 51
 “middle-income trap”, 6–7, 49, 50
 Midwest Universities Consortium for International Activities (MUCIA), 357
 migrant labours
 influx of, 147
 and Malaysian economy, 14
 migrant workers, 396–97
 abuse, 402–4
 diversified migration policy, 399
 employment of, 397–400
 Indonesian, 402–3
 Malaysian labour laws for, 398, 402, 404–6
 in manufacturing and agricultural sectors, 407
 minimum wage policy in 2012, 407
 process of recruitment for work, 400–1
 reforms for, 406
 undocumented, 404–6
 migration process, 379–82
 MIMOS. *See* Malaysian Institute of Microelectronics Systems (MIMOS)
 mineral resources, 62
 minimum wage policy in 2012, migrant workers, 407
 minimum wages, 386
 Ministerial Key Performance indicators (MKPI), 83
 Ministry of Agriculture to Ministry of Agriculture and Agro-based Industry (MAABI), 70
 Ministry of International trade and Industry (MITI), 256
 Ministry of Labour of Cambodia, 404
 Ministry of Science, Technology and Innovation (MOSTI), 219–20
 MITI. *See* Ministry of International trade and Industry (MITI)
 Mitsubishi Chemical refinery, 141
 MKPI. *See* Ministerial Key Performance Indicators (MKPI)
 MNCs. *See* multinational corporations (MNCs)
 modernization of infrastructure, 170–75, 180
 Mohamad, Mahathir, 149, 150, 256, 267, 271
 MOSTI. *See* Ministry of Science, Technology and Innovation (MOSTI)
 MPAJA. *See* Malayan Peoples’ Anti-Japanese Army (MPAJA)
 MPC. *See* Malaysia Productivity Corporation (MPC)
 MQA. *See* Malaysian Qualification Agency (MQA)
 MRAs. *See* mutual recognition agreements (MRAs)
 MRT. *See* My Rapid Transit (MRT)
 MSC. *See* Multimedia Super Corridor (MSC)
 MSC-status companies, 213
 MUCIA. *See* Midwest Universities Consortium for International Activities (MUCIA)
 Multi-Fibre Agreement (MFA), 76
 Multimedia Super Corridor (MSC), 83, 110, 212–17, 249
 multinational corporations (MNCs), 131
 production, 103
 mutual recognition agreements (MRAs), 248
 My First Home Scheme, 429, 430
 myGovernment portal, 225
 My Rapid Transit (MRT) system, 176, 424–25

- urban transport, 431
- N**
- NAEC. *See* National Economic Advisory Committee (NAEC)
- NAP1. *See* First National Agricultural Policy (NAP1)
- NAP2. *See* Second National Agricultural Policy (NAP2)
- NAP3. *See* Third National Agricultural Policy (NAP3)
- National Broadband Plan (NBP), 224
- National Climate Change Policy, 323
- National Council for Local Government (NCLG), 433
- National Development Policy, 315
- National Economic Advisory Council (NEAC), 195–97, 202
- National Education Blueprint, 338
- National Finance Council, 284
- National Green Technology, 323
- national higher education fund allocation, 363
- National Information Technology Agenda (NITA), 212
- National Information Technology Council (NITC), 211–12
- National Key Economic Areas (NKEAs), 8, 20, 94, 152, 221, 222, 311, 387
- National Key Result Areas (NKRA), 83, 345
- programme, 181
- National Land Council, 286
- National Policy on the Environment, 323
- national schooling system, 347
- National Single Window (NSW), 237
- National Strategic ICT Roadmap, 219
- national student loans, growth of, 363–66
- National Surveys of Innovation (NSI), 126
- National Transformation Policy, 221–25
- National Vision Policy (NVP), 11, 315
- National Wage Consultative Council, 24, 386
- native customary rights (NCR), 318
- natural fertilizer, 319
- natural radiation, 322
- natural resources, 57
- natural rubber, 319
- NBP. *See* National Broadband Plan (NBP)
- NCLG. *See* National Council for Local Government (NCLG)
- NDP. *See* New Development Policy (NDP)
- NEAC. *See* National Economic Advisory Council (NEAC)
- NEM. *See* New Economic Model (NEM)
- neoclassical arguments, 59
- NEP. *See* New Economic Policy (NEP)
- New Development Policy (NDP), 9, 25n8
- New Economic Model (NEM), 7, 8, 11, 94, 146, 151, 227–28, 234, 296
- and NEP, 154–55
- proposals for inclusiveness, 384
- New Economic Policy (NEP), 9, 16, 22, 25n7, 30, 58, 106, 156, 193–95, 256, 268, 315, 338
- and Malaysian politics, 17
- NEM and, 154–55
- requirements, liberalization of, 376
- Newly Industrialized Economies (NIE), 8
- NIE. *See* Newly Industrialized Economies (NIE)
- Ninth Malaysia Plan (9MP), 21, 68, 215

- NITA. *See* National Information Technology Agenda (NITA)
- NITC. *See* National Information Technology Council (NITC)
- NKEAs. *See* National Key Economic Areas (NKEAs)
- NKRAs. *See* National Key Result Areas (NKRAs)
- non-governmental organizations (NGOs), 330
- non-Malay Bumiputera communities, 343
- Non-Performing Loans (NPLs)
banking system, 197–98
- non-tariff barriers (NTBs), 237
- “noodle bowl” of FTAs, 258
- North-South Expressway
Concession, 184
- NPLs. *See* Non-Performing Loans (NPLs)
- NSI. *See* National Surveys of Innovation (NSI)
- NSW. *See* National Single Window (NSW)
- NTBs. *See* non-tariff barriers (NTBs)
- NVP. *See* National Vision Policy (NVP)
- O**
- OECD report (1996), 214
- Official Secrets Act of 1972, 267
- oil palm, 74, 319
- 131 Entry Point Projects (EPPs), 311
- 1Malaysia People’s Assistance Programme, 274
- Orang Asli development policy, 391–94
- overseas investments, 142
- P**
- PAC. *See* Penang Automation Cluster (PAC)
- palm kernel oil, 71
- Palm Oil Research Institute of Malaysia (PORIM), 42
- Partai Kebangsaan Melayu Malaya (PKMM), 264
- participation, 329–30
- passenger cars in Malaysia, 423
- pegawai dagang*. *See* high-skilled workers
- pekerjaasing*. *See* low-skilled workers
- PEMANDU, 311
rural infrastructure of, 178, 180
- PEMUDAH Task Force, 239
- Penang Automation Cluster (PAC), 295
- Penang Competitiveness Committee (2002), 291
- Penang Development Corporation, 287
- Penang Economic Council (1991–93), 291
- Penang Education Consultative Council, 293
- Penang Foundry and Engineering Industries Association (PENFEIA), 295
- Penang Industrial Council (1993–99), 291
- Penang SEDC, 290
- Penang Skills Development Centre (PSDC) in 1989, 292, 293
- PENFEIA. *See* Penang Foundry and Engineering Industries Association (PENFEIA)
- “People First, Performance Now” concept, 332, 428
- People’s Progressive Party, 270
- Perbadanan Tabung Pendidikan Tinggi Nasional* (PTPTN), 358–59
national student loan growth, 363–66
- Permodalan Nasional Berhad (PNB), 58
- Petroleum Nasional Berhad, 325
- Petronas, 143, 308–10
- Phase 1 (1996–2004) of MSC
Malaysia implementation plan, 212

- Philippines, average costs for exports in, 239
- PICS. *See* Productivity and Investment Climate Surveys (PICS)
- Pihak Berkuasa Air (PBA) Holdings Berhad, 297
- PKMM. *See* Partai Kebangsaan Melayu Malaya (PKMM)
- PNB. *See* Permodalan Nasional Berhad (PNB)
- policy recommendations, Malaysia
by 2020, 21–25
in education, 23
environmental conservation, 23
labour mobility and labour market competition, 24
manufacturing sector, 21
NEM plan implementation, 24
pressure of urbanization, 24
raising labour standards, 24
raising quality of teaching professionals, 23–24
urban management, 25
- political economy, 256–59
- politics in Malaysia, 271, 273–77
- PORIM. *See* Palm Oil Research Institute of Malaysia (PORIM)
- Porter, Michael, 48
- Port Klang Free Zone, 310
- ports
infrastructure growth and modernization, 171, 173
plans and initiatives, 176
- poverty
rates, 28, 29
reduction in, 392
- power purchase agreements (PPAs), 177
- PPP. *See* purchasing power parity (PPP)
- PPAs. *See* power purchase agreements (PPAs)
- PPSMI, 344, 345
- Preferential Tariff Agreement (PTA), 258
- Pre-mature De-industrialization, 12–13
- pre-Merdeka era, 264
- pre-privatization phase, 165–67
- primary commodities, 315
export earnings of, 69
- Printing Presses and Publications Act 1984, 267
- private CAGR, 38
- private entrepreneurship, 115
- Private Higher Educational Institutions Act (1996), 340
- private investment, 36, 37
fall in, 145–50
retain and revive, 150–55
- private sector investment, 16, 17
policy recommendations, 22
- private sector, microeconomic reforms to, 129
- private sector participation, 167–70
growing, 180–81
in infrastructure development, 175
right conditions for, 187
- privatization of higher education, 362
- PR1MA housing schemes, 429, 430
- producer surplus, 48
- productivity, 14–16
and wage rates, 50
- Productivity and Investment Climate Surveys (PICS), 126
- productivity led growth, 118–19
challenges and policy options, 128–32
growth and structural change, 119–21
sources of growth, 121–28
- progressive liberalization of equity constraints, 106
- pro-national capital policies, 59
- prudential regulation of banks, 201–2
- PSDC in 1989. *See* Penang Skills Development Centre (PSDC) in 1989

- PTA. *See* Preferential Tariff Agreement (PTA)
- PTPTN. *See* *Perbadanan Tabung Pendidikan Tinggi Nasional* (PTPTN)
- public CAGR, 38
- public higher education, expenditure of, 359–63
- public low cost housing, 428
- public sector, housing achievements, 426–27
- public sector investment, 17. *See also* private sector investment in infrastructure (1966–90), 166
- Public Service Department scholarships, 349n4
- public transport infrastructure, 422–25
- modes of, 422
- problems, 423
- purchasing power parity (PPP), 3
- Pusat Tenaga Rakyat (PUTERA), 265
- PUTERA. *See* Pusat Tenaga Rakyat (PUTERA)
- Q**
- quality of life
- environment enhancing, 324–25
- spiralling decline in, 421–22
- R**
- race-based quotas, 148
- racialism, 269
- racial politics, 355
- radioactive impact assessment (RIA), 322
- Radio Frequency Cluster, 295
- Rahman, Tunku Abdul, 256, 282
- railways, developments in, 171–73
- rakyat* benefit, 24
- rapid inter-sectoral structural change, 64
- rapid urbanization, problems in, 419
- rationalization of government activities, 130
- Razak, Dato' Sri Najib, 310
- Razak, Najib Abdul, 7, 151, 265, 272n1, 273, 386
- Razak, Tun Abdul, 149
- RCA. *See* revealed comparative advantage (RCA)
- real net capital stock
- growth in, 122, 123
- sectoral distribution of, 122, 123
- recapitalization of banking system, 199
- region wide agreements, 111
- Reid Commission, 282
- renewable energy fund, 325
- “rent-seeking”, 48
- research and development (R&D) investments, 42, 45
- retirement age, 386
- revealed comparative advantage (RCA), 103–4
- RISDA. *See* Rubber Industry Smallholders Development Authority (RISDA)
- road network
- infrastructure growth and modernization, 171, 172
- transport infrastructure, 176
- “rolling back” of national-level regulatory frameworks, 281
- ROO. *See* Rules of Origin (ROO)
- Roundtable on Sustainable Palm Oil (RSPO), 320
- RRIM. *See* Rubber Research Institute of Malaysia (RRIM)
- Rubber Industry Smallholders Development Authority (RISDA), 393
- rubber plantations, 319
- Rubber Research Institute of Malaysia (RRIM), 42
- Rules of Origin (ROO), 250
- rural basic infrastructure development, 178

- Rural Basic Infrastructure NKRA, 178
- rural development programmes, 66, 375
- rural poverty, 380, 383
- S**
- Sagong Tasi and Ors v. State of Selangor and Ors 2002*, 394
- salaries in manufacturing sector, 376, 377
- SAMENTA. *See* Small and Medium Enterprises Association (SAMENTA)
- SARS. *See* Severe Acute Respiratory Syndrome (SARS)
- savings–investment gap, 145
- school-based assessment scheme (2011), 346
- SchoolNet programme (2010), 224
- sciences, infrastructure for, 44
- “scientific and progressive society”, 211
- SCoPe. *See* Software Consortium of Penang (SCoPe)
- scope of services science, management and engineering (SSME), 220, 221
- Seberang Perak Felcra-model, 74
- Second Capital Market Masterplan, 204–5
- Second Industrial Master Plan (IMP2), 75
- Second Malaysia Plan, 58
- Second National Agricultural Policy (NAP2), 69
- Second Ten Year Financial Sector Blueprint, 207–8
- sectoral employment structure, 65
- sectoral export structure, 65
- sectoral GDP growth, 62
- sectoral growth accounting for Malaysia, 123, 124
- sectoral linkages, Malaysia, 101
- sector, employment by, 29
- SEDA. *See* Sustainable Energy Development Authority of Malaysia (SEDA)
- SEDCs. *See* state economic development corporations (SEDCs)
- Sedition Act of 1948, 267
- services labour productivity, 97
- services science education, 220
- services sector, 14, 98–102
- AEC, 242–43, 245
- challenges in developing, 110–11
- contribution to value added in, 84
- policy recommendations, 21
- profile of services, 95–98
- trade in services, 103–10
- services share
- in employment, 96
- in Malaysia’s GDP, 95
- services subsector linkages with overall economy, 102
- services subsector share, 98
- services trade balance, 104
- Seventh Malaysia Plan, 68, 69, 168, 360
- Severe Acute Respiratory Syndrome (SARS), 103
- sewerage
- plans and initiatives, 177
- services, water and, 324
- SIJORI. *See* Singapore-Johor-Riau Triangle (SIJORI)
- “Silent Revolution” of decentralization, 279
- Sime Darby, 143
- Singapore, average costs for exports in, 239
- Singapore-Johor-Riau Triangle (SIJORI), 46
- Singapore’s Changi airport, 289
- Singapore’s Economic Development Board, 287
- Singer-Prebisch hypothesis, 61
- Sixth Malaysia Plan (6MP), 7, 211, 360
- infrastructure development, 16–17

- skilled expatriates, departure of, 44
 skilled labour, 293–94
 skilled workers
 export of, 149
 in Malaysia, shortage of, 110
 small and medium enterprises (SMEs), 155, 223
 development, 130, 131
 Small and Medium Enterprises Association (SAMENTA), 294–95
 SME Association of South Johor, 295
 SME ICT usage survey in Malaysia (2012), 224
 SMEs. *See* small and medium enterprises (SMEs)
 Social Contract, 263, 265–66
 social crimes, 425–26
 society, 385
 socio-economic background, 314–15
 Software Consortium of Penang (SCoPe), 295
 solid waste management, 326
 federalization of, 331
 Southeast Asia
 average GDP growth rate, 4
 per capita GDP, 5
 SRIs. *See* Strategic Reform Initiatives (SRIs)
 SSME. *See* scope of services science, management and engineering (SSME)
 state development authority, 290–92
 state economic development corporations (SEDCs), 287, 290
 state-government-party collusion, 383
 state governments, role of, 286–89
 industry associations, 294–96
 skilled labour, 293–94
 state development authority, 290–92
 training provision, 292–93
 stock markets, 84
 Straits Chinese British Association, 265
 Strategic Reform Initiatives (SRIs), 151
 structural change, growth and, 119–21
 sub-national governments, 280–81
 subsectors in Malaysia, 99
 “Sumatra Social Revolution”, 264
 Sustainable Energy Development Authority of Malaysia (SEDA), 177
- T**
 taxes, 386
 TB. *See* trade balance (TB)
 technical graduates
 and science graduates, arts *vs.*, 41
 and vocational graduates, lack of, 41
 technology-intensive operations, 290
 Teck, Lai, 265
 telecommunications
 infrastructure growth and modernization, 171, 174
 plans and initiatives, 177
 regulator, 182
 Tenth Malaysia Plan (TsMP), 2, 8, 11, 94, 128–29, 151, 234, 243, 296, 324, 345, 387
 beyond, 131–32
 growth strategies in, 16, 129–31
 and income inequality, 20
 Texas International Education Consortium (TIEC), 357
 textiles industry, contraction of, 76
 TFP. *See* total factor productivity (TFP)
 Thailand, average costs for exports in, 239
 Tham Siew Yean, 114–17
 Third Industrial Master Plan (IMP3), 75, 77

- Third National Agricultural Policy (NAP3), 69
- Tiebout, Charles M., 280
- TIEC. *See* Texas International Education Consortium (TIEC)
- timber industry, 317–18
- TIMSS. *See* Trends in Mathematics and Science Study (TIMSS)
- TMP. *See* Tenth Malaysia Plan (TMP)
- total factor productivity (TFP), 14, 16, 121–24
 components of, 126
- Town and Country Planning Act 1976 (Act 172), 433
- TPP. *See* Trans-Pacific Partnership (TPP)
- trade, 241
 inequalities driver, 375–77
- trade balance (TB)
 index, 77
 manufacturing, 78
- Trade Facilitation Indicators (2009), 237
- Trade Facilitation Work Programme (2008), 237
- Trade Union Act 1959, 402
- traffic congestion in Malaysia, 423
- traffic management, 431
- Trans-Pacific Partnership (TPP), 111, 257
- transport equipment industry, 77
- Treasury-Wall Street Complex
 theory, 193
- Trends in Mathematics and Science Study (TIMSS), 343, 344
- “two-sector surplus labour” model, 60
- U**
- UEM. *See* United Engineering Malaysia (UEM)
- UMNO. *See* United Malays National Organization (UMNO)
- UNCTAD. *See* United Nations Conference on Trade and Development (UNCTAD)
- undocumented migrant workers, 404–6
- unequal income distribution, 387
- Uniform Building By-Laws, 325–26
- United Engineering Malaysia (UEM), 83
- United Malays National Organization (UMNO), 263, 273, 285
 dominance, 268
- United Nations Conference on Trade and Development (UNCTAD), 94
- Universities and University Colleges Act (UUCA), 267, 350, 350n13
- Universiti Teknologi Malaysia, 293
- university/tertiary graduates, lack of, 40
- “unplanned” outcome of MSC Malaysia, 216
- urban century, 418
- urban challenges, coping with, 428–29
 crime, reducing, 431–32
 environment and quality of life of people, 432–33
 supplying quality affordable housing, 429–31
 urban governance, 433–34
 urban transport, 431
- urban governance, 433–34
- urbanization, 20, 419–21
 levels of, states, 420
 policy recommendation, 24
 pressure of, 434
 wealth of city and quality of life, 421
- urban management, policy recommendation, 25
- urban-rural migration, percentage of, 380
- urban transport, 431

- US-based firms, 290
- UUCA. *See* Universities and University Colleges Act (UUCA)
- V
- value added growth, manufacturing, 76
- Vision 2020, 7–9
- W
- wages
- in manufacturing sector, 376, 377
 - minimum, 386
 - rates, productivity and, 50
- water and sewerage services, 324
- water sector. *See also* airport sector; energy sector; maritime sector
- infrastructure growth and modernization, 171, 175
 - plans and initiatives, 178
 - regulator, 182
- wealth of city and quality of life, 421
- Wen Jiabao, 256
- west coast line of KTMB, 176
- Wildlife Protection Act, 323
- Workmen's Compensation Act 1952, 406
- World Bank, 57, 85, 247, 379
- World Trade Organization (WTO), 244

