

INSTITUTE OF CURRENT WORLD AFFAIRS

GDN-4  
Rural Development - I  
A view from below.

5 Lorong 9/5B  
Petaling Jaya, Selangor  
Malaya  
28 June 1961

Mr. Richard H. Nolte  
Institute of Current World Affairs  
366 Madison Avenue  
New York 17, New York

Dear Mr. Nolte,

The major emphasis in Malaya's second five-year plan is on rural development. Responsible for this emphasis is the new Ministry of Rural Development, formed late in 1959. Under the energetic direction of Tun Abdul Razak, also deputy prime minister, the ministry is trying to produce something like a minor social movement in Malaya. The task is defined as an urgent one. Tun Razak travels to all parts of the Federation to blow life into the movement which is designed to produce a corps of freeholding farmers with high standards of living. The aim is to correct the imbalance between urban and rural living standards, to stimulate sustained economic growth, and incidentally to keep the Alliance government in power.

Last week I began a series of trips to see the rural transformation in process. Deep in the jungles of upper Perak, near the Siamese border, I saw a small kampong (village) celebrate the opening of a new water supply system. This is one of the hundreds of small schemes that are making up the transformation. Near Alor Star, capital of Kedah, I visited one of the Federal Land Development Authority schemes. These are perhaps the grandest of the rural development schemes. Under the slogan "land for the landless," they constitute one of the most costly, extensive and ambitious schemes of the government. A closer look at these schemes, representative of the small and the large in rural development, might serve as a useful introduction to this major arena of change in modern Malaya.

Plang: a kampong's new water supply.

At 9 a.m. we gathered in the operations room of the district officer of Grik, 35 miles from the Thai border in upper Perak. The group included the Mentri Besar (chief minister) of Perak, a few state councilors, the three assistant district officers, representatives of the Public Works Department, the Veterinary Department, and the Ministry of Information. Last to enter was a tall turbaned Sikh, a police captain. My mentor was P.H. Setchell, J.M.N., O.B.E., state development officer of the state of Perak. (Soon to retire, Setchell was this year honored by the King of Malaya and the Queen of England.)

The district officer began with a half hour briefing on rural development schemes completed, in progress, and planned. After the district officer, the Mentri Besar gave a brief address thanking the DO, and urging all concerned to press on vigorously with the work of development. This was a part of the ritual of rural development. All district offices have a standardized, master plan of development for the district, and all keep an operations room with maps and charts showing the total plan and the progress of schemes. Periodically they receive

visits from Federal and State officials to stimulate greater efforts for development. Even the briefing for these visits is fairly well standardized.

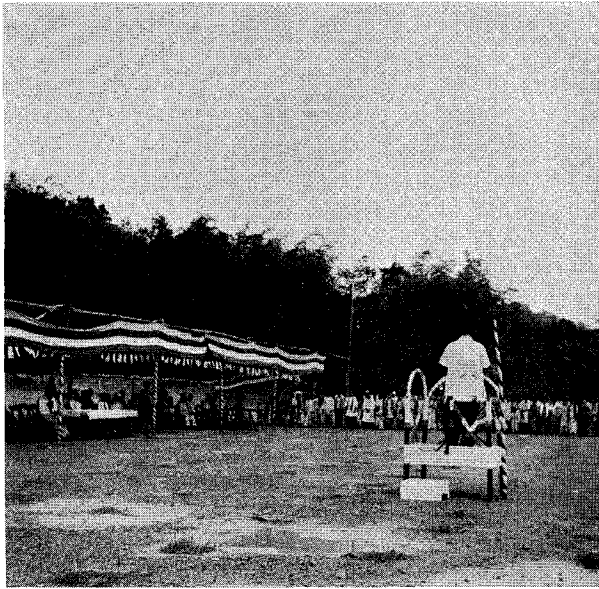
Shortly after 10 a.m. we started by car for Plang, about 12 miles north of Grik. We were preceded by a truck load of armed police. Though the Emergency is over, this area is still part of the Border Security Area, where operations are carried on against the few terrorists hiding out in the jungles of southern Thailand. There is really no terrorist activity left. The armed police guard is a precaution dictated by the rules of the area and the presence of a VIP (not me, the Mentri Besar). The Mentri Besar was in his air-conditioned Cadillac, the DO's and ADO's in Land Rovers. Trailing along were the mobile Malayan Film Unit to record the ceremony, and a new mobile postal van to emphasize the extended scope of rural development.

Plang is a small kampong with one shop and about 100 families (500 total population), strung out along the upper reaches of the Perak River. The people, all Malays, are rice planters and cattle raisers. Water had previously been drawn from jungle streams. Heavy silting and arsenic, from mining operations in the mountains, make the waters of the Perak River unpotable. The new water system is a simple and inexpensive affair. A jungle stream has been dammed, and water is now piped to 12 stands distributed throughout the kampong. The total cost of the project was M\$14,000 (US\$4,700). The pipes were donated by the Australian Army, on border security operations in the area. Along with the water project, a padang or playing field had been cleared across the road from the shop. At the end of the padang a small community was recently erected.

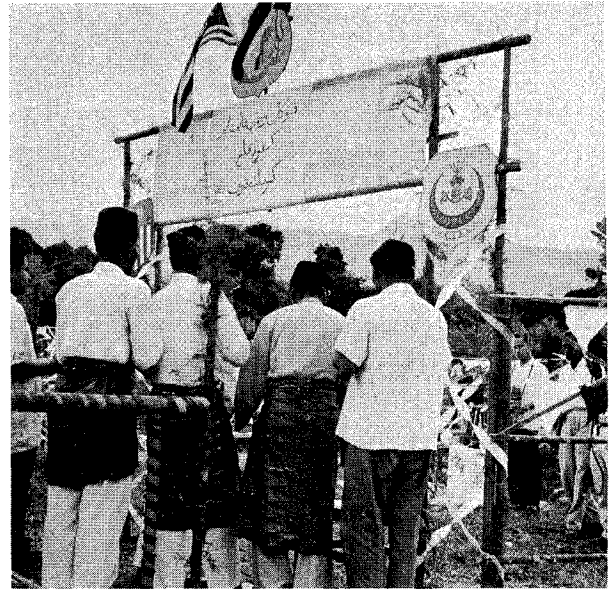
At the padang we were met with a bustle of activity and color resembling a small country fair. An archway, wrapped with colored paper, had been built across the roadway. In the middle of the padang a speakers rostrum (for one person) was raised a few feet off the ground. Along one side of the padang an awning was raised, under which there were about 100 chairs and a long table for the dignitaries. The edge of the awning was decorated with bunting and small paper flags. At the end stood the object of the ceremony, a small concrete water stand, surrounded by a pole fence and an archway, all decorated with colored paper, streamers and flags. At the other end, at right angles to the awning, all the people of the kampong were lined up in three rows: children, women, and men.

The penghulu (headman of the mukim, a small administrative area containing a few kampongs) was the first to speak, welcoming all honored guests. He was followed by a state councilor, the district officer, and the Mentri Besar. Then the MB cut the ribbon to the small enclosure and had a drink from the water stand; it was officially opened. In closing, the penghulu noted that the local development council, only two months old, had already had a number of requests to have piped water extended to private houses. The individual house-owners would bear the costs of this themselves. He then thanked the mukim school children for the decorations, and the contractor for the soft drinks that were being distributed.

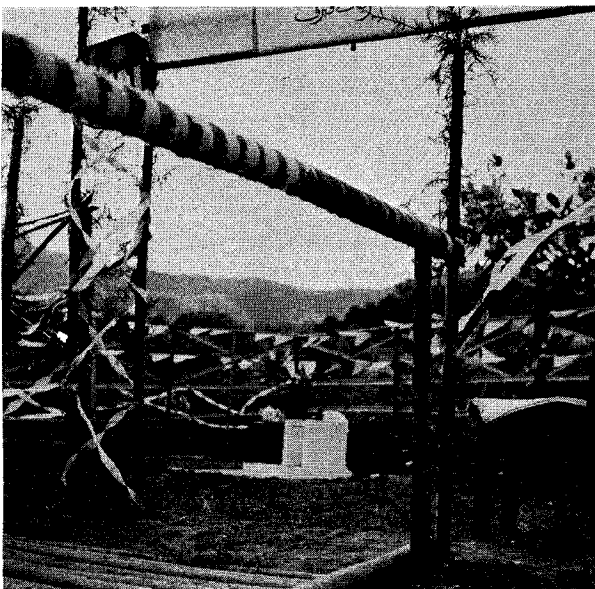
After the speeches, the Mentri Besar led a small inspection tour of the kampong. Flanked by armed police, we crossed the river on a suspension foot bridge and walked along a jungle path to another water stand. We then returned for a curry lunch, prepared by the women, but served by the men



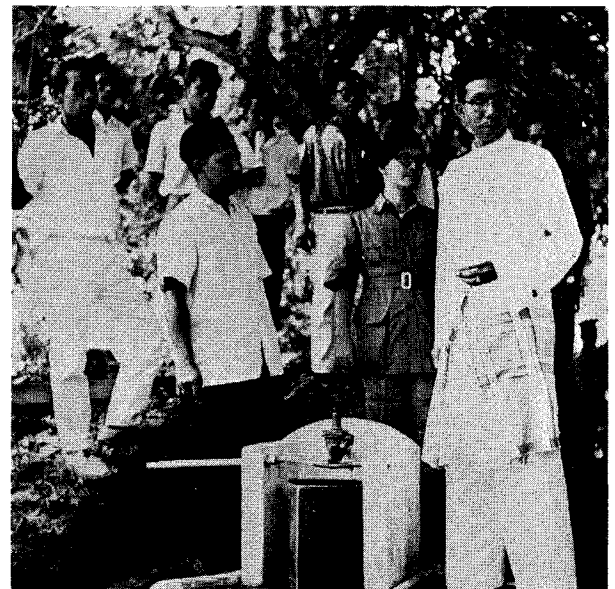
The penghulu speaks,



the Mentri Besar cuts the ribbon,



and there shall be water.



At a kampong water stand:  
 district officer  
 penghulu                      Mentri Besar

of the kampong. A great basket of cooked rice was set out, and the table was laid with dishes of curried beef, chicken and mutton. We ate Malay style, with the right hand, in the shadow of the awning and sipped a rose colored drink.

The lunch concluded the ceremony. The kampong people had had their moment of glory. Their Mentri Besar had come all the way from Ipoh in traditional Malay dress to speak to them of the importance of rural development, and to point out that their water scheme was a part of the great movement of rural uplift. With the MB came many of the symbols of development: the film unit and the new mobile postal van. Befitting his status as their great leader, the MB had come in a large expensive automobile, perhaps the most dramatic symbol of all the wonders development might eventually bring.

Sungei Tiang: a 5,000 acre FLDA scheme.

Twenty-five miles southeast of Alor Star, the Federal Land Development Authority and the Kedah State Land Development Board opened 5,000 acres of jungle land for 530 landless families. At the end of 1959 a contractor cleared the land for the village site. The settlers arrived and were quartered in a barracks while they did the work of building their homes with government supplied materials. The homes built, the settlers began to clear 3200 acres for rubber, 6 acres per family. The land is now cleared and half has been planted in rubber. When the remainder is planted another 1,060 acres will be cleared and planted in fruit trees.

When the rubber is mature and can be tapped, about 6 years after planting, it should give each family a monthly income of M\$300 to M\$450. With the additional income from fruit and other cash crops, the Malayan smallholder will be by far the most wealthy in all of Asia.

The schemes are designed to be self-financing. The government provides materials and an allowance of about M\$50 per month for the first two years. From the third through the sixth years, fruit and other cash crops will provide a low, but adequate, subsistence. When the rubber is tapped, the settlers will owe the government about M\$6,000, to be paid off over 15 years. At the end of the 21 or 22 years, the settlers will have clear title to 8 and 1/5 acres of land. Titles are protected against fragmentation, a necessity dictated in part by Islamic law which requires division of property among all heirs.

From the beginning the government provides other services free. There is a primary school for the 560 school aged children of the settlers. In addition a secondary school meets the needs of the settlers' few older children, and of children from the surrounding area. The village has its own government midwife, and is visited every two weeks by a mobile dispensary. The government started a co-op store for the settlers. Capital was accumulated by automatic deductions of M\$5 per month from the allowance for the first ten months. The store, now with a working capital of M\$25,000, stocks only necessities, no luxury items. Water now comes from unprotected wells dug by the settlers under the supervision of the scheme manager. However, the Public Works Department is working to provide piped water by August of this year. The pipes were being laid as I visited the scheme.

As we drove along the dirt roads of the village, laid out in a grid, I was impressed with the well kept house plots. All were planted with bananas, pineapple and tapioca; flowers, decorative trees, small fences, and an occasional archway gave an individual touch to each plot. The dirt yards were swept clean and the firewood was neatly stacked under the houses. The Malays are normally clean and neat, but this appeared to show more than the normal amount of pride in the homesite.

What else could I learn about the response of the settlers to the scheme? As the men were in the fields, I could not this time talk directly with them (nor is my Malay good enough to allow me to converse easily with these settlers even if they had been available). I put my questions to my guides, Pawanteh from the State Development Board, and Abdulla, the manager of the scheme.

"Are the settlers better off now; do they have a higher standard of living than before they came to the scheme?"

"Yes, but they think most of the highest income they will have."

Later we put the question to the two settlers we did meet. They smiled broadly (was it happiness or embarrassment at such naivety?), and answered a simple, "Yes." It was obvious that if I wanted to find out what they really thought, I should have to spend a great deal more time talking with the settlers, alone.

Later I tried another tack, asking what are the chances the settlers will get discouraged and leave. The answer was direct and, I think, honest. "None have left yet. They will not leave."

If the settlers leave they must give over everything they have done to the government. In return, their debt to the government will be wiped off and someone will be recruited to take their place, assuming the debt. These men have now built their homes, cleared land that will one day be theirs and planted it with rubber. They will not leave.

There is one problem, however. FLDA regulations stipulate that settlers will be paid an allowance for no more than two years. For most FLDA schemes, government contractors clear the land. The settlers then only have to plant the rubber and fruit trees. Two years is then sufficient time to build up the production of cash crops to sustain them. The settlers in Kedah have done all the land clearing themselves. This has meant that they have not had time to bring up the production of cash crops. The government allowance is due to be terminated in six months. In all likelihood the allowance will be extended for one year for these settlers. This time I asked what would happen if the allowance were not extended. Would the settlers leave?

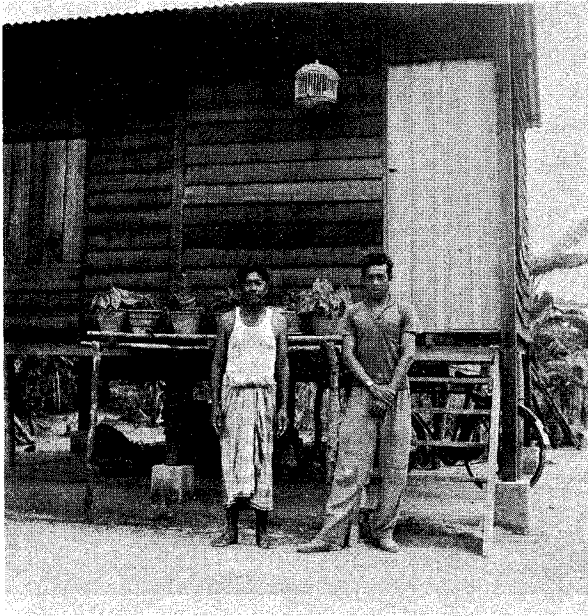
"No, but they will absent themselves for a few days at a time to earn some money; in the rice harvest and things like that. And that will be bad because the rubber needs especial care in the first two or three years." The answer was direct, and again, I think, honest. The settlers had too much at stake now. They have been caught up in the demands of the scheme, and for the time the system offers sufficient controls to ensure a minimum success.

A greater measure of success would be ensured if the settlers showed signs of active organization to promote their own ends and to investigate new ways of increasing their incomes. Only minimal success can be achieved if the settlers accept apathetically whatever the government offers, but will do no more. I asked what kinds of organizations existed among the settlers. There was the co-op started by the manager. There were also a scout troupe and a youth sports club, started by the teachers of the school. There was a rudimentary form of local government, started by the manager. One elected representative from each ten families made up a lower house, and another elected representative from every 50 families made up the upper house. Organizations of national political parties were kept out, as these would be divisive forces in the village. The only truly indigenous organization was the religious committee.

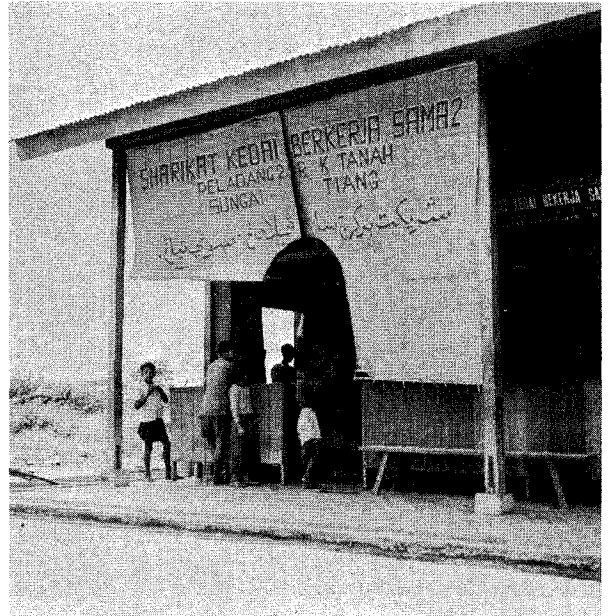
When the settlers came, they organized themselves to build a mosque. They had to build it themselves since they refused to accept assistance from the national social welfare lottery, which they consider haram (prohibited to Muslims). All the settlers went to the jungles to fell trees for timber. A group of twenty skilled carpenters was assigned by the committee to build the mosque, while the others carried the workload of the carpenters in clearing the rubber land. This was the only organization that came from the settlers themselves. It is too early to see in this an indication of only minimal success for the scheme. For my part, however, more organizational activity would be a welcome sign. I shall watch for it in the future.

The FLDA employs a manager for each scheme. The standards for qualification are high, but so are the rewards. The salary is \$1,000 per month with housing, transportation, and retirement benefits provided. In this, the FLDA gives recognition to the importance of the manager, on whose shoulders rests the real success of the scheme. The manager must be technically trained in rubber growing, but more important, he must be a good leader and organizer, and his integrity must be above question. The settlers come from the most depressed agricultural classes. They have had little or no organizational experience. If a co-op is to be formed, the manager must do the organizing and teach the settlers the value of such organization. Nor have these settlers ever had much surplus with which to experiment. If new plants or new forms of cultivation, new ways to do old jobs, are to be tried, the manager will generally provide the stimulation for these. If the manager is skillful, in ways that defy measurement or even precise definition, he can give the settlers something far more valuable than their rubber land. He can plant in them the idea of innovation, and he can help them to acquire the organizational skills that will enable them to advance their own interests. If the rubber prices fell, these ideas and skills are the attributes that would allow the settlers to adapt readily to new situations. The manager is one of those vastly important people, the men with the muddy boots who stand at the frontier of whatever social change is occurring in Malaya today.

These are examples of the small and the large in Malaya's current rural development program. Though they are not meant to be strictly representative, I think they accurately reflect two things. The rural economy is undergoing some transformation, largely designed from the top. Though it is far from perfect, I think the transformation is the type that will expand opportunities for the peasant in a context that will



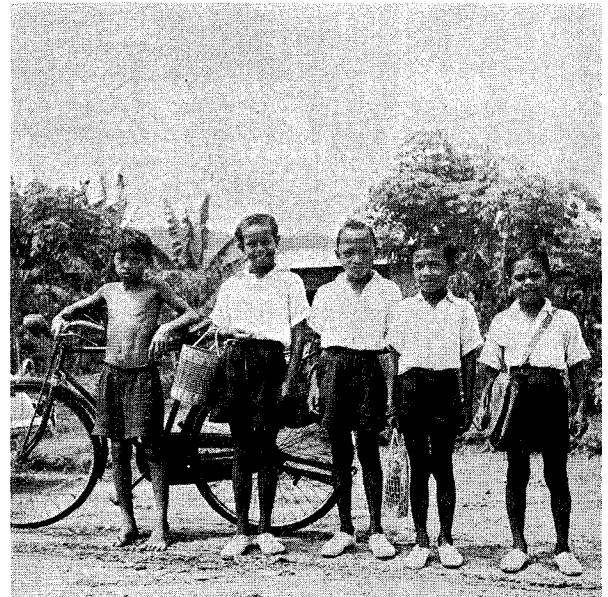
Modern Malayan pioneers



and their no-luxury coop



The man with the muddy boots and



the sons of the pioneers,  
off to school.

give him a good chance of benefitting from his increased efforts. Second, the schemes also appear to be calling forth a positive, if cautious response from the people. One thing is certain. The task of transforming the peasant economy and values is an immense one, and will be accomplished only slowly. One always wonders if there will be sufficient patience at all levels to accept the time requirements of economic development.

Sincerely,

*Gayl D. Ness*  
Gayl D. Ness

