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INTERNAL MIGRATION IN PENINSULAR MALAYSIA : ITS
PATTERNS, CHARACTERISTICS AND IMPACT

By

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CHAPTER 1 : INTRODUCTION

1.1 : Trends In Malaysian Economic Development

Malaysia, one of the new states of South-East Asia. After independence of Malaysia in 1957, the Malaysian economy grew from strength to strength in the average annual growth rate of Gross Domestic Product (GNP) at constant prices for successive five-year period as a guide, it was remarkably shown that the growth rate increase from 5.6% for 1961-65 and 1966-70 respectively to 7.1% for 1970-75 (the Second Malaysia Plan, SMP, period). And again, 8.6% raised for 1976-80 during Third Malaysia Plan period.

Based on Central Bank's annual report in 1980, the Malaysia's per capita Gross National Product (GNP) was U.S.\$1,370.00 which made her ahead of Turkey and slightly behind the Republic of Korea.¹

Unfortunately, the endlessly increase in growth rate over the last two decades started to be intermitted the prolonged recession in the developed nations, such as United states and the other industrial nations. The impact of international recession

¹Bank Negara Malaysia, Annual Report 1980, p.42

began to show in early 1981.² As the result the overall economy grew at 6.4% per annum during the Fourth Malaysia Plan period 1981-85.

In 1986, the projection on economic growth is not readily available. This will lead the Malaysian economy grows at a slower pace in view of the unsettled world economic situation and the major economic downturn by Singapore. Due to lower external demand and the decline in the prices of oil and commodities, Malaysia is expected a moderate growth.³

1.2 : The Population And Employment In Malaysia

The population of Malaysia has grown from an estimated 250,000 in 1800 (Dobby, 1966) to 15.677 million in 1985 and is projected to 16.095 million in 1986, at an annual rate of growth of 2.5%.⁴

In the period down to the middle of 1940's large-scale immigration from Indonesia, China and India was the primary cause of this rapid growth, whereas in more recent decades natural increase

²Ministry of Finance Malaysia, Economic Report 1985/86, Table 3.5, p.38

³Ibid. p.39

⁴Malaysia, Fourth Malaysia Plan, Kuala Lumpur, Government Printer, 1985, p.76

was due to the excess of births over deaths (see Table 1.1). This has been the major determinant of population increments..

Table 1.1 : Peninsular Malaysia : Crude Birth, Death And Natural Increase Rates, 1950-70

Year	Crude Birth Rate	Crude Death Rate	Crude Rate of Natural Increase*
1950	42.3	15.9	26.4
1952	45.0	13.8	31.2
1954	44.6	12.4	32.2
1956	46.7	11.6	35.2
1958	43.3	11.0	32.3
1960	40.9	9.5	31.4
1962	40.4	9.4	31.0
1964	39.1	8.1	31.1
1966	37.3	7.6	29.7
1968	35.2	7.6	27.7
1970	33.8	7.3	25.5

* Differences due to rounding

Source : Palmore, Chander and Fernandez (1975), pp.58-59

Based on the table above, it was clearly showed that demographic situation in Malaysia has changed rapidly during past decades and this trend is expected to be continued from time to time. The mortality rates are low while the fertility rates are moderate but declining.⁵ As a result, the high fertility experienced in the 1950's, it caused in high of growth of labour force in the 1970's and it is expected to continue into the 1980's. Nevertheless, the high rate of growth of labour supply for the past decades, rapid economic growth was able to generate sufficient jobs. In the manner, the unemployment rate of Malaysia was declining and increasing significantly the productivity of labour.

During the early part of 1980's, the slowdown in economic growth cause by international recession had slackened labour demand and weakened the overall employment situation. Labour market hightness experienced during the late 1970's generally eased with unemployment rate increasing.

The recessionary trends in the economy coupled with the freeze on new intake of staff and the continuing austerity drive in the public sector has led to a slackening of demand for labour. The effect of recession in the economy have been felt largely on the goods producing sector especially manufacturing, thus leading to a

⁵Population growth and its structure provide the framework for the estimates of labour force as well as to assess the demand for job creation and basic needs.

substantial shift in the pattern of employment from the more productive sector of the economy towards non-tradable sectors, particularly services.

1.3 : Objectives Of The Project Paper

This study is scrutinized on only the internal migration of Peninsular Malaysia, which is one of the developing countries as well as an Islamic nations. Basically, the objectives of this project paper are divided into four major parts. These can be summarized as follows:-

- (i) To make a literature review on internal migration from conventional point of view as well as an Islamic perspectives;
- (ii) To analyse the characteristics of the migrants in Peninsular Malaysia, base on little empiracal study and data. The analysis is divided into two stages; from 1957 upto 1970 and from 1970 upto 1980;
- (iii) To examine the migration trends and patterns in the process of developoment of Malaysia. The examination also divided into two stages; from 1957 upto 1970 and from 1970 upto 1980; and

(iv) To observe the impact of social-economic development on internal migration since 1957 until 1980.

CHAPTER 2 : METHODOLOGY

2.1 : The Concept Of Migration

Migration is commonly defined as the permanent change of residence by an individual or a group.⁶ The person who migrates from one place to another is known as migrant. Based on statisticians of international migratory point of view, a person who classify as an migrant if he has stated his intention of settling in other place for a least one year.⁷

To specify the concept of migration, the criterion that migration be a "Permanent" move has differentiated migration from various other types of human moves, such as, nomadism --- the way of life those having no fixed abode, and another type of human move is commuting --- referring to the daily or sometimes weekly, journeying to work of people who live a considerable distance from their jobs.

Basically, migration can be divided into two main categories, namely, international migration (i.e. migration from country to another country) and internal migration (i.e. migration

⁶The New Encyclopaedia Britannica, Vol 12, Willian Benton, Publisher, 1982, p.186

⁷Based on Statisticians of International Migration, when the collection of immigration data must usually rely on more or less arbitrary criteria.

within a country). Both migratory movements are caused by the essential concepts of "push" and "pull" (both will be discussed). In other words, the "push" factors and the "pull" factors are the prerequisites for migration.

2.2 : Sources Of Data And Information

Generally, this paper was used only secondary data in the study. Thus, these data can be obtained from various government's agencies, for example; Federal Land Development Authority (Felda), Information Department, State Economic Development Council (SEDC), the Labour Office, Department of Statistics and Central Bank of Malaysia.

Furthermore, for some additional information which regarding with empirical investigation and data were sought from annually economic reports as well as from other relevant references.

2.3 : Framework Of Analysis

All data and information were analysed and interpreted into suitable forms, to suit the requirements of the stated objectives. The tools that were used are as follows:-

2.3.1 : The Arithmetic Mean

Most generally understood way of describing the general tendency, or central location, of a set of data is the average known as the arithmetic mean or the mean. The mean is the total of the values of a set of observations divide by their number. If X_1, X_2, \dots, X_n represents the values of n items or observations, then the mean of these items, denoted by \bar{X} , is defined

$$\bar{X} = \frac{X_1 + X_2 + \dots + X_n}{n}$$

$$= \frac{\sum_{i=1}^n X_i}{n}$$

where \sum means "the sum of".

2.3.2 : Regression And Correlation Analysis

Regression analysis refers to the methods by which estimates are made of the values of a variable from a knowledge of the values of one or more other variables and to the measurement of the errors involved in this estimation process. For instance, this analysis was utilized to predict the trend of migrant over the years.

$$a = Y - bX \quad ; \quad \text{where, } a \text{ is the estimated intercept.}$$

$$b = \frac{\sum_{i=1}^n XY}{\sum_{i=1}^n X^2} \quad \text{b is the estimated regression coefficient.}$$

X and Y are variables.

Correction analysis refer to method for measuring the strenght of the association or correlation among these variables. For example, this analysis was used to examine the correlation between ethnicity and rural-urban disparities and so on.

The formula for correlation analysis is as follows:-

$$R_{x,y} = \frac{\sum_{i=1}^n XY}{\sqrt{\sum_{i=1}^n X^2 \sum_{i=1}^n Y^2}} \quad , \quad \text{where } R_{x,y} \text{ is the correlation between X and Y.}$$

2.3.3 : The Regional Approach

For the sake of simplicity, this approach has adopted in order to classify the area of Malaysia into six regions. These are as follows:-

- (i) Northern region consists of Perlis, Kedah, Pulau Pinang and Perak.
- (ii) Central region consists of Selangor, Federal Territory of Kuala Lumpur, Negeri Sembilan and Melaka.
- (iii) Eastern region consists of Kelantan, Terengganu and Pahang.
- (iv) Southern region only consists of Johor.
- (v) Sabah region consists of Sabah and Federal Territory of Labuan.
- (vi) Sarawak region only consists of Sarawak.

The regional approach, through the adoption of broader special units as a basis for planning, enables states which are poor in resources and experience growth constraints to

benefit from the overall development effort undertaken in the region.¹⁰

2.4 : Limitations And Shortcomings In The Study

Basically, throughout the project paper, there will be some limitations and shortcomings in this study. These limitations and shortcomings can be summarized as follows:-

(i) Some data which were available are, now already out of date. This is one of the shortcomings in this study, where, no latest data is available for analysing, especially in population census. As a consequence, the inadequacy of these data has indirectly affected the accuracy of this project paper and its presentation as well.

(ii) Difficulty indefining the concept of migration. This limitation exists when different people have their own perceptions. For example, some would prefer to exclude all forced moves from the concept of migration, even though it is not always easy to say whether a move of residence is or not forced. On the other hand, some sociologists would like to

¹⁰Malaysia, Fifth Malaysia Plan, Kuala Lumpur, Government Printer, 1986, p.106

limit the concept of migration to moves from one social system to another. But again, the central problem for this sociologist definition is that, modern man participates simultaneously in various social groups. Consequently, anyone who moves his residence leaves behind some of the social groups to which he belongs while other groups to which he is affiliated are to be found also in his new place of residence. Due to this reason, the difficult decision must be reached as to how far the group affiliations must change before one can say that there has been a move between the different social systems.

(iii) Difficulty in getting particular data and information to suit the requirements of the stated goals in this project paper. Basically, this is due to two main reasons namely, some government departments are reluctant to give certain data which they consider confidential. Certain data are only available at certain places, for instance, data and information about migration from Felda can only be obtained at it's branch in Sungkai, Perak. On top of that, a student needs to apply for permission from the person in charge, before he or she is able to carry out his or her research in the particular institution concerned.

(iv) In several aspects the data, because of its omissions and aggregative nature, restricted the depth of the analysis.

(v) This research is limited to Peninsular Malaysia, both because of lack of comparable time series data for Sabah and Sarawak, and the geographical separation between Peninsular Malaysia from Sabah and Sarawak.

(vi) Lastly, one of the most serious shortcoming in this project paper is the lack of financial assistance to carry out empirical investigation, such as sampling design by the method of interviewing or questioning. Due to this problem, the primary data is not available to use in this study.

CHAPTER 3 : LITERATURE REVIEW**3.1 : Migration In Developing Nations: Some General Facts**

Migration is a selective process affecting individuals with certain economic, social, educational and demographic characteristics, the relative influence of economic and non-economic factors may vary not only between nations and regions but also within defined geographic areas and populations (Todaro).

Generally, the determinations of migration in developing nations can be classified into various broad categories namely:-

- (i) Social factors including the desire of migrants to break away from traditional constraints of social organizations.
- (ii) Physical factors including climate and meteorological disasters like floods and droughts.
- (iii) Demographic factors including the reduction in mortality rates and the concomitant high rates of rural population growth.

- (iv) Cultural factors including the security of urban "extended family" relationships and the allurements of the "brought city lights".

- (v) Communication factors resulting from improved transportation, urban-oriented educational system and the "modernizing" impact of the introduction of radio, television and the cinema.¹¹

All these non-economic factors are intertwined and have led to high rate of external and internal migration in developing nations. With respect to this, such migration in majority of developing countries is seen to be excessive and believed to exacerbate the development process for a number of reasons namely:-

- (i) It makes worse an already serious urban unemployment problem;

- (ii) It misallocates the scarce capital resources;

- (iii) It accelerates the unbalanced development pattern within the nation; and

¹¹David Lim, Further Reading on Malaysia Economic Development, Oxford University Press, 1983, p.144

- (iv) Some LDCs such as Malaysia, internal migration can also create a problem that worsens racial tensions.

Consequently, the majority of LDCs have adopted various policies on controlling the internal migration. These policies through direct and indirect effects on the level and growth of either urban or rural or both, can be used by LDCs as a tendency to influence the nature and magnitude of the migration stream.

3.2 : Migration From Islamic Perspective¹²

Movement of labour from one geographic area to another and/or from one certain time¹³ is called mobility of labour and also a type of migration as well. The main feature of this migration is to make the labourers get better wages and they can improve their standard of living. In other words, this movement or migration has led to increase the welfare and economic well-being of migrants as well as the society as a whole.

¹²Afzal-Ur-Rahman, Economic Doctrines of Islam, Vol. 1, Pakistan: Islamic Publication, 1980.

¹³Based on the Concept of Migration, the criterion that migration must be a "Permanent" stay for a least of one year and above.

Based on above explanation, Islam has recognised this right (migration) of labourers and has granted them full liberty of this movement to seek better way of life. In surah "An-Nisa", it is stated that :-

" He who forsakes his house in the cause of God (in order that his economic condition may improve) finds much refuge and abundance (of wealth) in the earth ".

This verse of the Holy Quran shows very clearly a fundamental principle where, God does not restrict movement of labour and migration either internal or external. However according to the Holy Quran, mobility of labour through migration is an appropriate and very effective method of saving many of the economic and social-political evils of modern times. This can be seen in surah "Al-Mulk" :-

" God has made earth subservient to you so traverse ye through its tracts and enjoy the sustenance which He furnishes ".

When this verse asserts the believer to travel to distant lands, in order to improve their economic standard and there by bring prosperity to the nation.

The policy of rehabilitation of Umar, the second caliph, as evident from his speeches, was to encourage migration of believers to other lands. When he was sending the muslims to fight against the Persians, he said,

" O muslim ! You ought to know that the only means of livelihood in Hedjaz is to keep moving in search of fodder. Here there is no other means of livelihood ".¹⁴

Lastly, migration is not only recognised by the Holy Quran, but also by His Holy Prophet. According to one hadith, Prophet Mohammad (peace be upon him) used to persuade his companions and followers to laeve such lands where their means of livelihood were scarce and to migrate to other lands where there was abundance of wealth so that they could live a happier and prosperous life.¹⁵

3.3 : Migration Trends And Patterns In Peninsular Malaysia, 1957 upto 1970

Basically, the annual growth rates of population in Malaysia kept on changing from time to time. These differential growth rates are partly due to difference in fertility levels and mortality

¹⁴Tabari, quoted by Dr. Yusuf-Ud-Din, op cit., pp.219-221
¹⁵Afzal-Ur-Rahman, Economic Doctrines of Islam, Vol.1, 2nd edition, p.205

levels of the nation (see Table 1.1), and partly caused by the uncertain inflows of international migration into this country.

Almost up to the period of Second World War, one of the most important determinants of population growth in Malaysia was international migration. During that time, the post colonial government had applied a deliberate policy which resulted in large-scale inflows especially the Chinese and Indian immigrants into the country in particular into the peninsular. This policy not only brought the impact of changes in the size and growth pattern of population and labour force in the country but also changes in the structure of the society, turning it into highly heterogeneous in nature. In the long-run, the policy had various implications upon the structure of the economy and pattern of income distribution among the various group in the society.¹⁶

Today, the trend of migration in Malaysia has changed to a new migration trend that is internal and confined within the legal boundaries of the country, Whereas the international migration only has a little significant influence and impact on the various variables of the economy.

¹⁶Ministry of Finance Malaysia, Economic Report 1984/85, Government printed, Kuala Lumpur, 1985, p.177