

**Title:** Poverty and social security in Malaysia: major themes in economic and social development  
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### **Abstract**

This study is about poverty and social security in Peninsula Malaysia and explains options for the future. The analysis uses an approach which looks at economic and social development in the context of the historical factors which have influenced the structural formation of the Malaysian society. It seeks to explain poverty as a product of economic underdevelopment and dependency. Most of the poor live in the rural areas, working in the subsistence agriculture sector. Unquestionably development policies implemented since 1971 have been successful in reducing the incidence of absolute poverty, but simultaneously available evidence shows an increase in relative poverty and inequality. Conceivably, in its effort to ameliorate poverty and low income the Malaysian government has not adopted an equitable programme of resource allocation. This study is concerned with the unequal distribution of resources between the economic and social sectors. An analysis of the distribution of government resources in the social sector of welfare, health and education shows a distribution which is biased towards the urban areas and benefit the upper income groups rather than the poorer groups. Moreover, there are no adequate income maintenance and social security provisions for the poor. Hence this study seeks to recommend ways of providing an expanded programme of income maintenance and social security and make provisions for those who have been excluded by institutions responsible for workers' social security and old age income maintenance. Considering that political efforts to alleviate the problem of poverty and income inequalities need to incorporate egalitarian objectives. and means, the concluding chapter of this study proposes a non-contributory income maintenance programme especially for those employed in the subsistence agricultural and the urban petty commodity producer sectors. Only then can there be a pronounced trend towards a vertical redistribution of income and resources from the rich to the poor and from the urban to the rural sector.