Ethnic Patterns of Urbanization in Peninsular Malaysia, 1947-1970*

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Notwithstanding the popular nostalgia for the good life in small towns and rural villages, there is a sound rational base for the secular drift from country to town during the last century throughout the world, in countries large and small, rich and poor. In almost every situation, it is clear that those in urban areas have greater access to educational institutions, are exposed to more diverse employment opportunities, and receive higher incomes than rural residents. These differences in economic opportunities and rewards are generally apparent to all. And so inherent in the process of urbanization and the consequent widening of rural-urban disparities is the potential for increased tension with the prevailing distribution system. Rural people, traditionally distrustful of cities, often interpret the growing socioeconomic gap as exploitative in character and pressure political and economic institutions for redress. Yet, most urbanites do not feel advantaged as they compare their plight to more successful urban residents, not to the disadvantaged rural population.

In spite of these tensions rural-urban divisions only rarely become the dominant political groupings in a society. Rural to urban migration provides an individual alternative to collective political organization, and governments are often successful in using symbolic politics to allay rural discontent. Yet when rural-urban inequities reinforce other societal divisions such as ethnic groups, the potential for public protest and governmental initiatives is heightened. Such is the case in the plural society of Peninsular Malaysia where the largely rural Malay community is disadvantaged relative to the more urbanized Chinese and Indian minorities. And since the political base of the government is heavily dependent upon rural Malay support, recent public policies are intended to minimize socioeconomic disparities across ethnic communities. One strategy is to increase the proportional representation of Malays in towns and cities. In this paper we review the empirical trends in ethnic patterns of urbanization from 1947 to 1970, prior to advent of explicit public policies to eliminate ethnic inequalities in residence and in socioeconomic rewards. These trends are interpreted in light of the intent of current government policies.

Background

Malaysia, with a 1970 population of 10.5 million, was formed in 1963 by the federation of Malaya (an independent nation since 1957) and the then British colonies of Singapore, Sabah and Sarawak (the latter two states are on the island of
Borneo, and are relatively underdeveloped compared to the peninsula). Singapore left Malaysia in 1965. In this study, we only analyze urbanization patterns of Peninsular Malaysia, excluding the sparsely settled states of Sabah and Sarawak, which together comprise only about 15 percent of the total population of the country. In addition to problems of data comparability for census data prior to 1970, differences in socioeconomic conditions and population composition preclude a combined analysis of both Peninsular Malaysia and the states of Sabah and Sarawak in a study of ethnic patterns of urbanization.

Of the 8.8 million people in Peninsular Malaysia in 1970, 53 percent were classified as Malays, 36 percent as Chinese, 11 percent as Indians, and less than 1 percent as Others (Department of Statistics, Malaysia, 1972: 27). These ethnic communities, popularly known as races, are primarily based upon the national origins of one's ancestors, yet religion, language, and culture are also central aspects of ethnic identification. Since immigration of any magnitude was ended with Japanese occupation in 1941 (and was already at fairly low levels in the 1930s), most Chinese and Indians in Malaysia are at least second generation Malaysians, many even more. Small Chinese and Indian communities have been in Malaysia for centuries, but most of the large scale immigration from India and China occurred from 1850-1920, during the expansive phase of British imperialism when cheap labour was required in export enclaves of tin mining and rubber plantations (Sandhu, 1969; Saw, 1963). This period also brought a substantial migration from Sumatra and Java to the Malaysian peninsula but, sharing a common religion and culture (including language for many) with the Malay population, Indonesian immigrants have become largely indistinguishable from the indigenous Malay community.

In spite of considerable within-group heterogeneity (especially within the Indian community) the tripartite ethnic classification of Malay, Chinese, and Indian signifies the most salient division in Malaysian society. Cultural differences, especially religion, are compounded by quite uneven distributions of residence and socioeconomic characteristics. The majority of Malays live in rural villages as rice and smallholding rubber farmers, whereas most Chinese live in towns with a much more diversified occupational structure, including an over-representation in the “small shop” retail sales and service sector. On most socioeconomic characteristics, Indians are intermediate between Malays and Chinese. Over 40 percent of Indian men work in agriculture, almost exclusively as laborers on rubber and oil palm estates, but Indians have somewhat higher proportions in urban areas, in nonagricultural occupations, and with higher education than the Malay community.

A full examination of the historical development of the plural society of Peninsular Malaysia, and the possible reasons for the persistence of ethnic inequality is beyond the scope of this paper. Yet it is clear that a key element of ethnic socioeconomic disparities is the uneven geographical distribution of the three populations. Income differences between Malays and the other ethnic communities are substantially less in urban areas than for the country as a whole (Malaysia, 1973: 4). There is also considerable evidence which suggests that a good share of the ethnic inequalities in educational and economic achievement can be explained by differences in rural-urban background and the consequent differential exposure to
opportunities (Hirschman, 1975a; 1979). For these reasons alone, it is important to understand the historical bases of ethnic variations in urbanization in Peninsular Malaysia.

Urban Areas: Definitions and Data

There is no official definition of the minimum size of an urban area in Malaysia. The government designates most population settlements as gazetted areas in order to confer administrative status. In both the 1957 and 1970 Population Censuses, population data were published for each gazetted area in the country. Some of these gazetted areas were very small, including a few with less than 100 persons. There are probably many large villages, which lack both urban characteristics (retail shops, a post office, etc.) and an administrative status, but whose population numbers in the thousands. For localities such as villages and agricultural estates which are not designated as gazetted areas, census counts of population size are not available.

Analyses of urbanization patterns in census reports, government documents, and by social scientists have tended to use different minimum size criteria to define urban places. The 1957 Census and most research publications during the 1960s used gazetted areas with a minimum size of 1,000 to define an urban place. The 1970 Census and subsequent works, noting the ambiguity of small towns and large villages, have relied upon a definition of 10,000 in a gazetted area as the minimum size of an urban place. In this study, we have used a size of place of classification rather than to rely on an urban-rural dichotomy (also see Hirschman, 1976).

Another recurrent problem in trend analysis of urbanization is the comparability of the universe (and the boundaries) of towns across censuses. Not only do some towns disappear and others are born (as they are settled and recognized as a gazetted area) over time, but some towns are merged together (or separated), and most all larger cities grow through expansion of boundaries. Failure to control for these changes (or at least be sensitive to the potential biases) may result in erroneous conclusions about trends in urbanization, especially regarding the association between town characteristics and growth. For this study, we have compiled a complete inventory of all towns included in one or more of the censuses of Malaya or Peninsular Malaysia in 1947, 1957, and 1970. In each case, an effort was made to match towns between censuses by name, and to achieve as much comparability in the universe of towns as was possible with the available information. For instance, if it was apparent (from town names or from footnotes in census reports) that two separate towns listed in one census were joined together in a later census, we have added the separate towns from the earlier census to make for one comparable town across censuses. This situation was most common when "new villages" listed in the 1957 Census were merged with existing towns in the 1960s, before the 1970 Census. Other adjustments included reconciling name changes and joining parts of a single town that were listed separately in census reports because they spanned district boundary lines. The net result was a list of 730 "comparable census towns" that existed in one or more of the censuses from 1947 to 1970.
The comparable census towns from 1947 to 1970 are listed in Table 1 by frequency of appearance in the census publications and size at the most recent census. Many towns were in existence at all three times points, while there was a significant number of new towns first included in the 1957 or 1970 Censuses, and there was also a number of towns that disappeared over time. It is possible that some of these "births" and "deaths" of settlements reflect recognition as administrative areas, and not sudden growth or demise. But the fact that most of these fluctuations occurred in very small places of less than 1,000 population means that such changes will not greatly affect the overall pattern of urbanization. All of the subsequent analysis in this paper is based on towns of at least 1,000 population. No claim is made that all of our adjustments and matches of towns are definitive. Our efforts were largely dependent upon careful scrutiny of census publications, and other investigations may improve upon this work. For instance, we made no adjustments for annexation of unga zetted areas by cities between censuses. A complete record of all our adjustments and the machine (computer) readable data file are available to any interested researcher.

Table 1: Inventory of Comparable Census Towns in The Censuses of 1947, 1957 and 1970: Peninsular Malaysia

<table>
<thead>
<tr>
<th>Towns Match in Censuses of:</th>
<th>Town Size in Most Recent Census</th>
<th>All Towns</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,000 or more</td>
<td>less than 1,000</td>
</tr>
<tr>
<td>1947, 1957, 1970</td>
<td>221</td>
<td>18</td>
</tr>
<tr>
<td>1947, 1970</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>1957, 1970</td>
<td>162</td>
<td>119</td>
</tr>
<tr>
<td>1970</td>
<td>26</td>
<td>81</td>
</tr>
<tr>
<td>1947, 1957</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>1957</td>
<td>24</td>
<td>52</td>
</tr>
<tr>
<td>1947</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total Towns in Each Census</strong></td>
<td><strong>157</strong></td>
<td><strong>109</strong></td>
</tr>
</tbody>
</table>


Trends in Urbanization by Ethnicity

The proportion of a population that lives in urban areas—the level of urbanization—is a function of the number of towns and the numbers of people in towns. Over time, both of these components may change. New settlements may be founded, or more likely, small places pass the minimum population threshold, and are desig-
Table 2: Distribution of the Population, by Size of Place, by Ethnic Community: Peninsular Malaysia, 1947, 1957, 1970

<table>
<thead>
<tr>
<th>Size of Town</th>
<th>Variable Universe of Towns</th>
<th>Total Population</th>
<th>Malay</th>
<th>Chinese</th>
<th>Indian</th>
<th>Number of Towns</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,000 or more</td>
<td></td>
<td>16.1 22.0 24.5</td>
<td>5.9  8.8 11.9</td>
<td>26.8 37.0 41.1</td>
<td>22.0 26.5 31.0</td>
<td>12  16  23</td>
</tr>
<tr>
<td>5,000—24,999</td>
<td></td>
<td>5.2 10.0 9.6</td>
<td>2.4  4.8 5.6</td>
<td>8.3  17.7 15.6</td>
<td>6.4  8.3  8.8</td>
<td>23  64  90</td>
</tr>
<tr>
<td>1,000—4,999</td>
<td></td>
<td>5.2 10.5 7.9</td>
<td>3.0  5.5 4.4</td>
<td>8.0  18.6 14.2</td>
<td>5.3  6.5  4.9</td>
<td>122 306 409</td>
</tr>
<tr>
<td>Balance of County</td>
<td></td>
<td>73.5 57.5 58.0</td>
<td>88.7 80.9 78.1</td>
<td>57.0 26.8 29.1</td>
<td>66.2 58.7 55.3</td>
<td></td>
</tr>
<tr>
<td>Total Pop. (000)</td>
<td></td>
<td>100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0%</td>
<td>157 386 409</td>
</tr>
<tr>
<td>% of Pop in Metro.</td>
<td></td>
<td>(4,908) (6,279) (8,810)</td>
<td>(2,428) (3,125) (4,672)</td>
<td>(1,885) (2,334) (3,131)</td>
<td>(531) (696) (936)</td>
<td></td>
</tr>
<tr>
<td>Districts¹</td>
<td></td>
<td>16.3 20.5 29.6</td>
<td>4.4  6.9 15.5</td>
<td>29.6 35.0 46.7</td>
<td>21.6 29.8 41.8</td>
<td>3  4  7</td>
</tr>
<tr>
<td>% of Pop in Eleven State Capitals</td>
<td></td>
<td>13.9 17.4 17.0</td>
<td>5.4  7.0 8.8</td>
<td>22.8 29.5 27.7</td>
<td>18.1 20.2 21.7</td>
<td>11  11  11</td>
</tr>
</tbody>
</table>

Constant Universe of Towns Between Censuses²

<table>
<thead>
<tr>
<th>Size of Town at Initial Census</th>
<th>Total Population²</th>
<th>Malay</th>
<th>Chinese</th>
<th>Indian</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,000 or more</td>
<td>16.1 19.6 21.9 21.3</td>
<td>5.9  7.2 8.8 10.7</td>
<td>26.8 33.7 37.0 35.1</td>
<td>22.0 23.7 26.5 27.5</td>
</tr>
<tr>
<td>5,000—24,999</td>
<td>5.2 6.9 10.0 9.9</td>
<td>2.4  3.3 4.8 4.8</td>
<td>8.3 11.5 17.7 17.7</td>
<td>6.4  7.5  8.3  9.4</td>
</tr>
<tr>
<td>1,000—4,999</td>
<td>5.2 7.3 10.5 8.7</td>
<td>3.0  4.0 5.5 4.4</td>
<td>8.0 12.2 18.6 16.0</td>
<td>5.3  5.9  6.5  5.9</td>
</tr>
<tr>
<td>Balance of County</td>
<td>73.5 66.2 57.5 60.1</td>
<td>88.7 85.5 80.9 80.1</td>
<td>57.0 42.6 26.8 31.2</td>
<td>66.2 62.9 58.7 57.2</td>
</tr>
<tr>
<td>Total % of Pop in Metro. Districts¹</td>
<td>100.0% 100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0% 100.0%</td>
<td>100.0% 100.0% 100.0% 100.0%</td>
</tr>
<tr>
<td>% of Pop in Eleven State Capitals</td>
<td>16.3 18.1 20.5 22.3</td>
<td>4.4  6.9 6.9 10.0</td>
<td>29.6 32.2 35.0 37.0</td>
<td>21.6 23.4 29.8 33.8</td>
</tr>
</tbody>
</table>

Notes:
(a) Others are not presented as a separate ethnic community, but are included in the Total Population.
(b) A Metropolitan district is one that includes a city of 75,000 or more population.
(c) The constant universe of towns includes all those listed at the first census (by size class), including some that had disappeared by the second census.

nated urban. And existing towns may gain population through migration and natural increase. Both of these processes have occurred in Peninsular Malaysia, between 1947 and 1957 and between 1957 and 1970. In order to examine both the trend in overall urbanization in all towns and population redistribution with a constant universe of towns, Table 2 presents two sets of figures on the pace of urbanization from 1947 to 1970. The top panel is based upon a variable universe of towns—all towns above 1,000 in each census year. There were 157 census towns above 1,000 population in 1947, but 409 in 1970. These data yield an interpretation of trend based upon the actual number of urban areas in each census year. The lower panel computes similar urbanization ratios (urban population/total population) for a constant universe of towns for each intercensal interval, for instance, the 1947-1957 urbanization levels are computed for the 1947 universe of census towns, by size of the town in 1947. Similarly, the 1957-1970 figures are based upon the 1957 universe. The figures in this lower panel can be interpreted as the trend in population redistribution within the existing urban hierarchy.

The size of town classification used in this analysis is a simple one: (1) Large Towns, those above 25,000, (2) Medium Size Towns, those between 5,000 and 24,999, and (3) Small Towns, those between 1,000 and 4,999. This set of categories (along with a residual category of rural areas, which includes towns of less than 1,000) allows for a more detailed interpretation of urbanization than with a simple urban-rural dichotomy.

1947-1957 Trends

The 1947-1957 period was one of significant social and political change in Peninsular Malaysia (then Malaya). The British colonial administration returned in 1945 after the defeat of Japan, which had ruled the country during the war years. The reconstruction of the export-based economy and the political struggles of various groups dominated the decade until Independence was achieved in 1957. A rather slow economic recovery from the depressed conditions of the 1930s and the Japanese occupation of the early 1940s was aided by the 1950-51 boom in rubber prices caused by stockpiling of natural rubber by the United States during the Korean War (Stubbs, 1974). As the colonial regime was re-established a war of national liberation, (“The Malayan Emergency”) was initiated by indigenous communists, primarily Chinese, against the colonial government and the management of British owned plantations and mines. In order to deny the insurgent forces a rural base of support, the colonial government resettled hundreds of thousands of rural residents into “new villages” (resettlement communities that were meant to be permanent).

Accompanying these economic and political changes was a rise in urbanization in the country. From the top panel of Table 2, the proportion of the population in towns of all size-classes rose sharply from 1947 to 1957 e.g., the proportion of the population in towns above 1,000 increased from 26 percent to 42 percent. There was a marked population increase in large towns (over 1/5 of the population lived in towns above 25,000 by 1957), but most dramatic was the virtual doubling of the
populations in small and medium size towns. Most of this change was a result of "new towns", not of redistribution to the universe of 1947 census towns. For instance, the lower panel shows a rise of only seven percentage points in the urbanization ratio (all towns over 1,000) compared to the 16 percentage point change registered in the variable universe of towns. Most of this difference appears in the small and medium size towns. Thus the real jump in urbanization from 1947 to 1957 occurred in towns that did not exist (as gazetted areas above 1,000 population) in 1947. Earlier studies (Sandhu, 1964; Caldwell, 1963; and Hamzah, 1962) have pointed to the resettlement program of the colonial administration as the primary cause of urbanization during the 1947-1957 period. Sandhu (1964: 164) says that over 573,000 persons were relocated into 480 "New Villages", which ranged in size from a few hundred to more than 10,000 population. These figures indicate that this undertaking relocated over 10 percent of the total population of the country from scattered rural areas into compact settlements, many of which were adjacent to existing towns.

These resettlement and urbanization patterns did not affect the three ethnic communities similarly. The resettlement program was primarily directed at the Chinese community. Many Chinese farmers did not have legal claim to their land; they had turned to subsistence agriculture in remote unsettled areas in order to survive the hardship years of the Depression and Japanese occupation. Labeled as "squatters", rural Chinese could be legally evicted from their farms by the government. More importantly, the colonial government feared that many rural Chinese supported the communist insurgents in the jungle. According to Sandhu, 86 percent of the new villages were Chinese. This selectivity is also evident in the urbanization patterns in Table 2. Overall (top panel), the percent of Chinese in rural areas (less than 1,000) dropped from 57 to 27 percent from 1947 to 1957. Only 14 points of this 30 percentage point change was redistribution to existing (1947 Census) towns, the balance went to new towns. Of course, the resettlement program added to the urbanization in "old towns" by encouraging voluntary movement to these areas and through the creation of "new villages" that were part of or adjacent to existing towns.

In contrast, the net urbanization shift among Malays and Indians was relatively modest, especially within the universe of old towns. The proportion of Malays in urban areas (above 1,000) rose by eight percentage points overall, but there were only three percentage points of movement to old towns. For Indians, the comparable figures were seven and three percentage points. For all three communities, the urbanization levels rose in large, medium, and small towns.

The uneven pace of urbanization from 1947 to 1957 significantly widened the urban-rural gap between the Chinese community and the rest of the population, especially Malays. In 1947, 27 percent of Chinese lived in large cities (above 25,000) compared to 22 percent Indians, and only 6 percent of Malays, and based upon a size criteria of 5,000 or more, 35 percent of Chinese were in urban areas compared to 29 percent of Indians and 8 percent of Malays in 1947. Wide as these gaps were, by 1957, 55 percent of Chinese lived in towns of 5,000 or more compared to 35 percent
of Indians and only 14 percent of Malays (for large towns, the comparable figures were 37, 27, and 9 percent).

1957-1970

The first 13 years of Independence coincided with the second intercensal interval under consideration. In general, these were years of moderate economic expansion, under a development-minded government which sharply increased spending for education, health, and physical infrastructure in the form of roads, bridges, and irrigation projects (Ness, 1964; 1967). The entire economy grew, led by the manufacturing sector, which increased from a miniscule 9 percent share of Gross Domestic Production in 1957 to 15 percent in 1970 (comparable figures for the experienced labor force are 6 percent in 1957 and 10 percent in 1970, Hirschman, 1976: 448-449). There were no explicit aims by the government to encourage urbanization. In fact the most celebrated government program of the 1960s was the Federal Land Development Authority (FELDA) which created numerous land development schemes throughout the country to provide land and economic opportunities for landless villagers, primarily Malays.

In contrast to the 1947-57 period, the pace of urbanization from 1957-70 was very slow indeed (for prior studies of urbanization during this interval see Pryor, 1973; Ooi, 1967: Chapter 6; Saw, 1972; Narayanan, 1975; and Hirschman, 1976). Even with the variable universe of towns in the top panel of Table 2, increases in the level of urbanization can only be clearly observed in the largest size of towns, those above 25,000. Percentage points gains were negligible in the medium size class and were actually negative for Chinese. The percentage of the population in small towns (1,000-4,999) declined for all ethnic communities.

Holding constant the universe of towns by size class in 1957 (lower panel of Table 2) reveals that a share of even this very small trend toward urbanization from 1957 to 1970 was due to a shift in the number of towns across size-class boundaries. There was a net reduction in the proportion of Chinese in towns of all size-classes, within the constant universe. Considering towns above 5,000 in 1957, there was only three percentage point gain in urbanization for Malays and two points for Indians. These are real changes, but hardly large enough to inspire headlines about the trend in urbanization.

Two other indicators of shifts in population concentration are presented in Table 2, the proportion of the population in metropolitan districts, and the proportion of the population in the eleven state capitals of Peninsular Malaysia. By definition, the eleven state capitals provide a consistent universe across censuses. Metropolitan districts are defined by the presence of a city of 75,000 or more in the district. There are 70 districts (comparable to counties in the United States) in Peninsular Malaysia. There were only three metropolitan areas in 1947, four in 1957, and seven in 1970. In 1970, two cities above 75,000 were in one district; both Kuala Lumpur and Petaling Jaya were in the Kuala Lumpur district.

There were modest changes in the proportions in state capitals over the period. Malays and Indians both gained a couple of percentage points in each intercensal interval, while Chinese gained dramatically in the 1947-1957 period, but lost two
points during the latter period. Gains in the metropolitan population have been significant, especially from 1957 to 1970 as the number of metropolitan areas almost doubled. More than 4 out of 10 of Chinese and Indians in Peninsular Malaysia live in the 8 largest cities of the country or their immediate hinterland (the 7 metropolitan districts in 1970). The rapid rise for Malays is also significant, though they are far less concentrated in metropolitan districts than the Chinese and Indian populations. Even holding constant the number of metropolitan areas between censuses, there have been significant increases for all ethnic communities, including the 1957-1970 period when the overall pace of urbanization was very sluggish. This may indicate that a sizeable share of the growth of urban areas, especially of large cities, may be beyond their administrative boundaries.

In spite of these qualifications, we conclude that the pace of urbanization from 1957 to 1970 was slower than what one might expect given the economic growth and social change during this period. This observation would not be altered, if Singapore, the neighboring city-state of two and one half million population, was included as part of the urban population (Hirschman, 1976). There has been a moderate amount of migration to Singapore (Hirschman, 1975b), but not enough to register a significant difference in the percentage point change of the urbanization ratio from 1957 to 1970. It is important to note that slow urbanization does not necessarily imply slow urban growth. In fact, most urban areas have been growing at fairly rapid rates from 1957 to 1970 (almost two percent per year), but the rural areas have been growing just as fast. The result is only a miniscule change in the proportion urban.

In terms of ethnic variations, the Chinese significantly widened their edge in urban residence over Malays and Indians from 1947 to 1957 (the percentage gains between Malays and Chinese were close, but the absolute differences widened sharply). From 1957 to 1970, Malays and Indians increased their share in urban areas relative to Chinese, but the absolute differences remain very wide. Consider the significant differences in the Malay-Chinese proportions living in towns above 5,000, the 1947 figures were 35 percent for Chinese compared to 8 percent for Malays, by 1970 the gap had widened to 57 percent and 18 percent. For cities above 25,000, the 1947 Chinese-Malay gap of 27 percent to 6 percent increased to 41 percent and 12 percent. Even with sizeable percentage gains for Malays, the absolute differences had widened sharply.

**Interpretation of Ethnic Variations in Urbanization**

The interpretation of the social and economic forces that have contributed to changes and nonchanges in urbanization levels among the major ethnic communities during the postwar era must remain speculative at this point. A basic first step in the explanation would involve a demographic decomposition of population change in urban areas into components of natural increase, migration (internal and external), and the expansion of urban boundaries. Since adequate data are not available for a direct examination of these components, some studies (Caldwell, 1963; Pryor, 1973) have made indirect estimates by assuming natural increase is equal in urban and rural areas and ignoring urban annexation. Yet these assumptions are unlikely to be
realistic. Annexation has been an important source of growth for some towns. While our analysis has only controlled for the merger of gazetted towns, we have no figures on the annexation of populations in the ungazetted areas on the periphery of cities. To some degree, this has biased our estimates of urban growth upwards relative to rural areas. Empirical evidence from Malaysia (Smith, 1952; Palmore and Ariffin, 1967; Cho, Palmore, and Saunders, 1968) and elsewhere suggests that fertility (and natural increase) will be less in urban than in rural areas. This means that a moderate amount of rural to urban migration would not shift the level of urbanization unless it exceeded the gap in rural-urban fertility.

Most discussions in earlier studies have generally assumed that rural to urban migration was the major dynamic factor responsible for the trend in urbanization. Thus, the rapid urbanization from 1947 to 1957 is attributed to the resettlement program of the early 1950s and associated flight from remote areas (Narayanan, 1975; Hamzah, 1962). And the slowdown in urbanization from 1957 to 1970 is attributed to a lack of job opportunities in urban areas (Narayanan, 1975; Hirschman, 1976). We agree with this general assessment, but acknowledge that it ignores the possible effects of differential natural increase and expansion of urban boundaries. Saw (1972) suggested that there may have been an urban to rural drift during the 1960s as those uprooted during the resettlement program during the early 1950s returned to their former rural residences, but this process would seem to have been an attractive opportunity to a very few. What are the factors that might have differentially affected the migration patterns of the three ethnic communities during these periods? The resettlement program of the early 1950s was almost exclusively focused on the Chinese community and there is no doubt that this greatly accelerated the urbanization of Chinese. Yet there was also a fair degree of redistribution to existing cities from 1947 to 1957, among all ethnic groups, that was in excess of the subsequent 1957 to 1970 change. This seems to be an anomaly as the pace of industrial growth (and urban job opportunities) was much faster in the latter period. Additionally, as higher education expanded during the 1950s and 1960s, we assume that larger numbers of rural youth developed aspirations for city life and non-agricultural vocations. We do not have the quantitative evidence to directly address these issues, and can do little more than mention the possibilities.

One important factor that may have inhibited the drive to urbanward migration was the lack of strong push factors out of rural areas in Malaysia. In spite of declining prices over the years, smallholder rubber production has increased through replanting with higher yielding varieties (the replanting program was promoted and subsidized through taxes on exported rubber). This has led to a moderate level of cash income that has allowed many rural villagers to maintain basic living standards. Coupled with a lack of job opportunities in cities, this may have restrained some of the potential rural to urban migration. In fact rural to rural migration may be the primary mechanism for population redistribution from places of surplus labor to places of opportunities. Most noteworthy in this regard is the number of FELDA Schemes, or state sponsored agricultural (rubber and oil palm) resettlement schemes opened up to landless farmers (primarily Malays) during the 1960s.

One of the primary sources of urban job creation has been government employ-
ment, mostly after Independence in 1970. Perhaps the largest growth in government employment was in the armed forces and the police. This would have primarily affected Malays, and this may account for their greater increases from 1957 to 1970. The sizeable amount of Chinese emigration to Singapore and elsewhere from 1957 to 1970 (Hirschman, 1975b) was probably selective of Chinese from urban areas. This loss coupled with probably very low urban fertility among the Chinese, may have accounted for their relative loss in urbanization from 1957 to 1970.

**Ethnic Composition of Towns**

An alternative perspective on ethnic urbanization is illustrated by percentaging the earlier tables across rows instead of down columns. These calculations show the ethnic composition of towns in various size classes. A common observation in both popular thinking and academic studies (Sidhu, 1976) is one of Chinese dominance of towns in Malaysia. Most simply, this means that the majority of the population, often the overwhelming majority, in urban areas is of Chinese origin. But the implications go beyond that of relative numbers; the underlying point is that Chinese may own or manage most enterprises which create employment opportunities in towns. Because of the prevalence of Chinese in the “small shop” sector of retail trade (including restaurants and hotels), there is a perception that other ethnic groups, especially Malays are at a disadvantage in finding urban employment. It is beyond the scope of this paper to consider this issue of the ethnic dominance of the urban opportunity structure. But we can review the trend in the relative ethnic composition of towns over the postwar era. To the extent that the relative proportions have shifted over time, it is possible to partially address the broader question.

Table 3 shows the ethnic proportions (including Others) of towns by size-class in 1947, 1957, and 1970. The top panel is based upon the variable universe of all towns in each census year. Our interest here is in describing the ethnic composition of urban Peninsular Malaysia, regardless of the number of towns that comprise the urban universe at each date. In the two lower panels, the percentage of the population which is Malay (the most salient summary measure of the distribution) in 1947, 1957, and 1970 is presented for the 15 largest towns in 1970 (those above 50,000) and the seven metropolitan districts in 1970.

In 1947 there was an inverse relationship between town size and percent Malay. Over one-quarter of small towns (1,000-4,999) were Malay, while less than one-fifth of the population in large towns (25,000 or more) were Malay. In 1947 about three-fifths of the population in all towns were Chinese and over ten percent were Indians, who were slightly more numerous in the largest towns. From 1947 to 1957, there were slight proportional gains for Malays in the largest and medium size towns and a sizeable increase of the numerical dominance of Chinese in small towns. There were proportional declines in the share of the urban Indian population, especially in medium and small towns. The post-Independence era from 1957 to 1970, saw relative increases for Malays and declines for Chinese. The Indian shares remained relatively constant. The very small Others community was increased in 1957 with the large number of Commonwealth armed forces mobilized for the “Emergency”. These numbers dropped rapidly in the 1960s, along with the exodus of colonial offi-
Table 3: Ethnic Composition of Towns by Size Class, and other Characteristics:
Peninsular Malaysia, 1947, 1957, 1970
Variable Universe of Towns

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>25,000 or more</td>
<td>18.1</td>
<td>20.0</td>
<td>25.7</td>
<td>63.6</td>
<td>62.6</td>
<td>59.6</td>
<td>14.8</td>
<td>13.4</td>
<td>13.4</td>
<td>3.5</td>
<td>4.0</td>
<td>1.2</td>
</tr>
<tr>
<td>5,000—24,999</td>
<td>22.5</td>
<td>23.3</td>
<td>31.2</td>
<td>62.2</td>
<td>65.6</td>
<td>58.0</td>
<td>13.5</td>
<td>9.1</td>
<td>9.9</td>
<td>1.8</td>
<td>1.9</td>
<td>0.8</td>
</tr>
<tr>
<td>1,000—4,999</td>
<td>28.6</td>
<td>26.3</td>
<td>29.3</td>
<td>59.1</td>
<td>65.8</td>
<td>63.8</td>
<td>11.1</td>
<td>6.9</td>
<td>6.6</td>
<td>1.2</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td>All Towns (1,000 or more)</td>
<td>21.0</td>
<td>22.4</td>
<td>27.6</td>
<td>62.4</td>
<td>64.1</td>
<td>60.0</td>
<td>13.8</td>
<td>10.8</td>
<td>11.3</td>
<td>2.8</td>
<td>2.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Entire Country</td>
<td>49.5</td>
<td>49.8</td>
<td>53.0</td>
<td>38.4</td>
<td>37.2</td>
<td>35.5</td>
<td>10.8</td>
<td>11.1</td>
<td>10.6</td>
<td>1.3</td>
<td>1.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Eleven State Capitals</td>
<td>19.2</td>
<td>20.1</td>
<td>27.4</td>
<td>63.1</td>
<td>62.9</td>
<td>57.8</td>
<td>14.1</td>
<td>12.9</td>
<td>13.5</td>
<td>3.6</td>
<td>4.2</td>
<td>1.3</td>
</tr>
</tbody>
</table>

Notes:
(a) The number of towns in each size-class and census year are the same as in the top panel of Table 2.
(b) These metropolitan towns had 75,000 or more people in 1970, at earlier censuses, they were not always the largest seven towns.

Source: Same as Table 2.
Ethnic Patterns of Urbanization in Peninsular Malaysia, 1947-1970

Ethnic Patterns of Urbanization in Peninsular Malaysia, 1947-1970

The same general trend in ethnic composition of towns can be observed in the

The same general trend in ethnic composition of towns can be observed in the
eleven state capitals. The Malay fraction increased slowly from 19 percent in 1947 to
eleven state capitals. The Malay fraction increased slowly from 19 percent in 1947 to
20 percent in 1957, and then rapidly to 27 percent in 1970. The Chinese share in state
capitals fell over the same period, while the Indian proportion held fairly steady.
capitals fell over the same period, while the Indian proportion held fairly steady.
In spite of the significant measurable change that has occurred in ethnic
composition over the almost quarter-century period, the basic facts have not
composition over the almost quarter-century period, the basic facts have not
changed. Chinese are still a substantial majority in towns of all size classes. Even if
changed. Chinese are still a substantial majority in towns of all size classes. Even if
rapid population change in occurring, it may resemble a glacial drift rather than a
dramatic shift across decades. This is an important fact, especially for policymakers,
dramatic shift across decades. This is an important fact, especially for policymakers,
to ponder. Unless extraordinary events intervene, there will be a significant Malay-
to ponder. Unless extraordinary events intervene, there will be a significant Malay-
Chinese gap in urban-rural distribution for decades to come, even with more rapid
Chinese gap in urban-rural distribution for decades to come, even with more rapid
urbanization of the Malay population. If the Malay-Chinese gap in economic
urbanization of the Malay population. If the Malay-Chinese gap in economic
inequality is to be reduced substantially, much of the effort needs to be directed at
inequality is to be reduced substantially, much of the effort needs to be directed at
the rural sector.
the rural sector.
Detailed examination of individual towns reveals considerable variation in both
detailed examination of individual towns reveals considerable variation in both
the levels and trend of ethnic composition. The lower panel presents the proportion
the levels and trend of ethnic composition. The lower panel presents the proportion
Malay for the three periods in the largest 15 towns and in the seven metropolitan
districts in 1970. Some cities began with a very low proportion Malay (11-13%) in 1947,
districts in 1970. Some cities began with a very low proportion Malay (11-13%) in 1947,
which then increased dramatically, especially from 1957 to 1970. This includes Kuala
which then increased dramatically, especially from 1957 to 1970. This includes Kuala
Lumpur, the national capital (which experienced a doubling of the Malay propor-
Lumpur, the national capital (which experienced a doubling of the Malay propor-
tion), Seremban (a rapidly growing state capital), and Taiping (a slowly growing city
tion), Seremban (a rapidly growing state capital), and Taiping (a slowly growing city
in the tin mining belt). Other cities have experienced real, but smaller increases in
in the tin mining belt). Other cities have experienced real, but smaller increases in
their proportion Malay. These include towns with small initial Malay populations
their proportion Malay. These include towns with small initial Malay populations
(Ipoh) and towns with sizeable Malay populations in 1947 (Batu Pahat). Other
towns with sizeable Malay populations in 1947 (Batu Pahat). Other
towns have shown almost no change in the proportion Malay, including some towns
have shown almost no change in the proportion Malay, including some towns
with a very small Malay population (Georgetown, Melaka) and others with a large
with a very small Malay population (Georgetown, Melaka) and others with a large
or majority Malay population (Alor Star, Kota Bahru, Kuala Trengganu). Other
or majority Malay population (Alor Star, Kota Bahru, Kuala Trengganu). Other
towns have shown almost no change in the proportion Malay, including some towns
towns have shown almost no change in the proportion Malay, including some towns
with a very small Malay population (Georgetown, Melaka) and others with a large
with a very small Malay population (Georgetown, Melaka) and others with a large
or majority Malay population (Alor Star, Kota Bahru, Kuala Trengganu). Other
towns saw a decline in the Malay fraction during the 1947-1957 period, but an
towns saw a decline in the Malay fraction during the 1947-1957 period, but an
increase after Independence (Johore Bahru, Kelang, Muar). One town has a smaller
increase after Independence (Johore Bahru, Kelang, Muar). One town has a smaller
Malay share in 1970 than in 1947 (Butterworth). The Malay proportion in the seven
Malay share in 1970 than in 1947 (Butterworth). The Malay proportion in the seven
metropolitan districts (which include a city above 75,000 in 1970) increased, espe-
metropolitan districts (which include a city above 75,000 in 1970) increased, espe-
cially after 1957. There appears to be no easily observed pattern or trend from these
cially after 1957. There appears to be no easily observed pattern or trend from these
figures on ethnic composition of the largest towns and districts in Malaysia. The
figures on ethnic composition of the largest towns and districts in Malaysia. The
ethnic proportions, and the relative components of growth must be related to a
ethnic proportions, and the relative components of growth must be related to a
variety of different historic, situational, economic, and other factors. It should be
variety of different historic, situational, economic, and other factors. It should be
noted again that migration is only one of the mechanisms of population redistribution.
noted again that migration is only one of the mechanisms of population redistribution.
Differential natural increase as well as boundary expansions of cities may be
Differential natural increase as well as boundary expansions of cities may be
intertwined with the changes observed in Table 3.
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Town Characteristics and Ethnic Growth

Town Characteristics and Ethnic Growth

What are some of the various factors that have led to relative ethnic change in
What are some of the various factors that have led to relative ethnic change in
the urban centers of Malaysia? In order to partially address this question, we now
the urban centers of Malaysia? In order to partially address this question, we now
turn to an analysis of the relationship between characteristics of towns and the rela-
tive growth of the three major ethnic groups during the last decade of colonial rule (1947-1957) and the post-Independence era of 1957 to 1970. The dependent variable is the average annual growth rate (assuming continuous growth), calculated separately for each of the three ethnic communities as well as the total population. Because of the focus on the relationship between initial town characteristics and subsequent growth, the universe excludes new towns that emerged during each of the intervals. Thus, the 1947-1957 analysis is limited to towns existing in 1947 (of 1,000 or more) and similarly the 1957-1970 period only considers the universe of 1957 towns (of 1,000 or more).

From the available census data, we have selected three independent variables that may have affected ethnic growth in urban areas: (1) Initial Town Size, (2) Initial Ethnic Composition, and (3) The Overall Growth Rate. City size may be related to city growth for several reasons, though not now always in a predictable direction. For instance, it is likely that urban expansion will occur in the largest cities as both the public and private sectors invest their resources in centers with the most developed infrastructure of transport and communication, and the largest pool of potential labor. But there could be a reverse relationship if the largest towns become overloaded with high unemployment, then smaller towns might attract more migrants (and perhaps have higher natural increase), and therefore grow faster. The unique policy of resettlement in the early 1950s was mainly directed toward smaller towns. Also the rural development strategies of the post-Independence period may have encouraged growth in the smaller towns that service nearby rural areas.

Initial ethnic composition is indexed here by the proportion Malay in the town. The reasoning is that an established urban Malay community would make a town more attractive to Malay migrants. A higher Malay proportion would mean that there would be more opportunities for employment among Malay migrants, and perhaps other factors such as a familiar culture and language that would encourage migration.

The third independent variable is the total population average annual growth rate, which is simply a weighted average of the growth of each of the ethnic communities. Thus, by definition it should have a positive correlation with each of the ethnic growth rates. Yet one might imagine that towns that are growing very fast (or very slowly) have different attractions to the three ethnic communities. For instance, government expansion may encourage rapid growth, but primarily among Malays. These relationships are explored in Table 4.

The average annual growth rate for all towns (above 1,000) was almost twice that of the entire country during the 1947-1957 decade (4.9% to 2.5%), while urban growth lagged behind the national figure during the 1957-1970 period (2.1% to 2.6%). These two periods were also quite different in the relationships between town size and growth. In general, there was a negative relationship between 1947 size and 1947-1957 growth. But looking at ethnic patterns, we see that this relationship was confined to the Chinese population. Again, this is understandable in terms of the colonial government policy of resettlement of rural Chinese into "new villages", many of which were adjacent to existing small towns. The most rapid growth rates for Malays and Indians were medium size towns, a 5,000 to 24,999. The growth rate
Table 4: Average Annual Growth Rate\(^a\) of Population by Ethnic Community in Towns of Different Characteristics: Peninsular Malaysia, 1947-1957 and 1957-1970

<table>
<thead>
<tr>
<th>Size Class in 1947</th>
<th>Average Annual Growth Rate 1947-1957</th>
<th>No. of Towns</th>
<th>Size Class in 1957</th>
<th>Average Annual Growth Rate 1957-1970</th>
<th>No. of Towns</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Malay Chinese Indian</td>
<td></td>
<td></td>
<td>Total Malay Chinese Indian</td>
<td></td>
</tr>
<tr>
<td>25,000 or more</td>
<td>4.4 4.6 4.6 3.4</td>
<td>12</td>
<td>25,000 or more</td>
<td>2.4 4.6 1.9 2.6</td>
<td>16</td>
</tr>
<tr>
<td>5,000-24,999</td>
<td>5.4 5.9 5.4 4.3</td>
<td>23</td>
<td>5,000-24,999</td>
<td>2.5 3.2 2.3 3.3</td>
<td>64</td>
</tr>
<tr>
<td>1,000-4,999</td>
<td>5.9 5.3 6.4 3.8</td>
<td>122</td>
<td>1,000-4,999</td>
<td>1.2 1.3 1.1 1.5</td>
<td>306</td>
</tr>
<tr>
<td>All Towns (1,000 or more)</td>
<td>4.9 5.1 5.0 3.7</td>
<td>157</td>
<td>All Towns (1,000 or more)</td>
<td>2.1 3.4 1.8 2.6</td>
<td>386</td>
</tr>
<tr>
<td>Entire Country</td>
<td>2.5 2.5 2.1 2.7</td>
<td>11</td>
<td>Entire Country</td>
<td>2.6 3.1 2.3 2.3</td>
<td>23</td>
</tr>
<tr>
<td>Eleven State Capitals 1947 Metropolitan Districts</td>
<td>4.8 5.2 4.7 3.8</td>
<td>11</td>
<td>Eleven State Capitals 1957 Metropolitan Districts</td>
<td>2.4 4.8 1.8 2.8</td>
<td>11</td>
</tr>
<tr>
<td>% Malay of Town in 1947</td>
<td>3.5 5.2 3.0 3.5</td>
<td>3</td>
<td>% Malay of Town in 1957</td>
<td>4.2 7.4 3.3 5.1</td>
<td>4</td>
</tr>
<tr>
<td>40% or more</td>
<td>4.5 3.9 5.4 3.4</td>
<td>31</td>
<td>40% or more</td>
<td>1.8 2.0 1.5 -0.4</td>
<td>86</td>
</tr>
<tr>
<td>30-39%</td>
<td>4.5 4.0 4.7 4.4</td>
<td>16</td>
<td>30-39%</td>
<td>2.8 4.1 2.2 2.2</td>
<td>30</td>
</tr>
<tr>
<td>20-29%</td>
<td>5.1 5.1 5.5 3.0</td>
<td>37</td>
<td>20-29%</td>
<td>1.9 3.0 1.7 1.8</td>
<td>51</td>
</tr>
<tr>
<td>10-19%</td>
<td>4.5 5.8 4.4 3.6</td>
<td>32</td>
<td>10-19%</td>
<td>2.3 4.8 1.8 3.0</td>
<td>69</td>
</tr>
<tr>
<td>5-9%</td>
<td>6.7 8.8 6.8 4.2</td>
<td>22</td>
<td>5-9%</td>
<td>1.8 3.6 1.7 1.7</td>
<td>57</td>
</tr>
<tr>
<td>Less than 5%</td>
<td>4.5 10.4 4.2 4.6</td>
<td>19</td>
<td>Less than 5%</td>
<td>1.8 3.5 1.7 2.7</td>
<td>93</td>
</tr>
<tr>
<td>1947-57 Average Annual Growth Rate</td>
<td></td>
<td></td>
<td>1957-70 Average Annual Growth Rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6% or more</td>
<td>7.4 8.3 7.5 5.5</td>
<td>63</td>
<td>6% or more</td>
<td>10.3 11.1 10.2 11.4</td>
<td>9</td>
</tr>
<tr>
<td>5-5.99%</td>
<td>5.3 5.3 5.6 3.7</td>
<td>16</td>
<td>5-5.99%</td>
<td>5.3 6.1 5.0 5.4</td>
<td>7</td>
</tr>
<tr>
<td>4-4.99%</td>
<td>4.6 5.2 4.7 3.1</td>
<td>11</td>
<td>4-4.99%</td>
<td>4.6 6.0 3.7 4.8</td>
<td>15</td>
</tr>
<tr>
<td>3-3.99%</td>
<td>3.6 3.5 3.8 2.1</td>
<td>15</td>
<td>3-3.99%</td>
<td>3.4 4.9 3.1 3.8</td>
<td>37</td>
</tr>
<tr>
<td>2-2.99%</td>
<td>2.3 2.4 2.3 1.9</td>
<td>14</td>
<td>2-2.99%</td>
<td>2.5 4.4 2.1 3.1</td>
<td>79</td>
</tr>
<tr>
<td>1-1.99%</td>
<td>1.5 2.0 1.6 -0.3</td>
<td>16</td>
<td>1-1.99%</td>
<td>1.4 2.3 1.2 1.4</td>
<td>91</td>
</tr>
<tr>
<td>0-0.1%</td>
<td>0.8 0.3 2.3 -0.8</td>
<td>5</td>
<td>0-0.1%</td>
<td>0.8 1.5 0.4 1.1</td>
<td>53</td>
</tr>
<tr>
<td>Negative</td>
<td>-5.3 -3.7 -6.4 -3.9</td>
<td>17</td>
<td>Negative</td>
<td>-4.8 -5.1 -3.0 -3.6</td>
<td>95</td>
</tr>
</tbody>
</table>

Notes: (a) Average annual growth rate is computed by the formula \( r = \frac{\ln(P_2/P_1)}{N} \), where \( P_1 \) and \( P_2 \) are the population sizes at the two censuses and \( N \) is the number of years between the censuses.

Source: Same as Table 2.
of the largest towns were the lowest for all three ethnic communities. Overall, the highest urban growth rate from 1947-1957 was among the Malay, not the Chinese community. At first glance, this seems in contradiction to the earlier tables which noted only minimal changes in the proportion of Malays in the urban population. But Table 4 does not include "new towns" and therefore ignores much of the growth in Chinese urbanization during this period which was in new settlements (new villages). Moreover, the initial Malay population was so low, that even a rapid growth rate has only a small absolute effect.

The 1957-1970 period saw a much more varied pattern of urban growth for the three ethnic communities. First, growth rates were much lower, especially for the Chinese community which experienced a relative loss in urban areas (although still an absolute increase) compared to rural areas. But since the Chinese community was already so urbanized, it would have been very difficult to maintain a rapid rate of growth. There was a very strong positive association between city size and growth among the Malay population. Perhaps these were the centers of greatest government investment which created more Malay employment opportunities. The extremely low rates of growth of small towns (1,000-4,000) for all ethnic communities suggests that these places are sources of out-migration to other areas, probably to larger towns.

Looking at the figures for the eleven state capitals and metropolitan areas reinforces the interpretation of more rapid urban growth in the largest towns for Malays. In both periods, Malay urban growth exceeded Chinese and Indian growth in seats of government administration and in metropolitan areas (central city plus nearby hinterland). Most exceptional is Malay average annual growth rate of over seven percent in the four 1957 metropolitan areas (Kuala Lumpur, Pulau Pinang, Timor Laut, Kinta, and Kelang). There are definite signs of above average Malay urban growth throughout the postwar era—centered in the largest towns, especially towns with state administrations, and spilling over into the fringe areas of the largest towns.

The association between ethnic composition and ethnic growth rates is not what was expected. From 1947-1957, there was a sizeable and consistent inverse relationship between percent Malay and Malay growth in towns. From 1957-1970, this relationship was not maintained. But it should be noted that towns with the largest MALAY SHARE (over 40%) had the slowest Malay growth rate from 1957 to 1970. There does not appear to be clear relationship between percent Malay and urban growth among Chinese or Indians in either period. The reversal in the expected relationship during the first period and the lack of any strong relationship during the second period prompts a reconsideration of the reasoning expressed earlier. Malay urban growth does not seem to be responsive to a high proportion of Malays already resident in the city. Perhaps Malay migration is based on expansion of the governmental sector, not the growth of opportunities within the Malay community. Of course, a smaller initial population means that a modest absolute increase yields a rapid growth rate. Even with this caveat, Malay migrants do not seem to be discouraged by a small initial Malay population.
The last panel in Table 4 shows a positive association between the overall growth rate for each of the two periods and the growth rate of each ethnic group. As noted earlier, there is a built-in dependency among these figures, but nonetheless the common pattern suggests that rapidly growing towns are attractive to all ethnic communities (and a similar, but opposite pattern for slow-growing towns). This suggests that, in spite of ethnic variations, there are some common forces that affect urban growth in all communities.

Discussion

There are several main currents in the patterns of urbanization in postwar Malaysia, and a number of ethnic variations. Most important was the dampening of the pace of urbanization during the post-Independence period of the 1960s compared to the 1947-1957 decade. Though the decline was greatest among the Chinese community, which experienced the brunt of the rural to urban resettlement program in the early 1950s, the tempo also slowed for Malays and Indians. In general, we conclude that the lack of extreme poverty in rural areas and the slow growth of urban economic opportunities (in spite of the economic growth during the post-Independence years) were the primary reasons for the slowdown in urbanization.

There were certain factors that constrained and influenced the relative urbanization of the three ethnic communities. First, there was already a fairly high degree of urbanization (relative to other developing countries) and well developed urban system throughout the country. And the overwhelming numerical dominance of Chinese in urban areas of all sizes and types is a characteristic that is not easily or quickly changed, especially if urbanization is only slowly occurring. The Malay population did have a rapid rate of urban growth throughout the period, but their relative numbers only increased substantially after Independence when the Chinese growth rates slowed down. The slowing of Chinese urban growth is partially a function of their already high levels, but external migration to Singapore and elsewhere (Hirschman, 1975b) may have been a key factor as well.

Looking forward from 1970, the possibility of narrowing the Malay-Chinese gap in urbanization is rather limited, at least dramatically in the short run. It is true that explicit governmental sponsorship will increase the number of opportunities for Malays in urban areas, and many well educated rural youth will be interested in trying their fortune in the urban world. But even rapid urbanization will still leave the majority of Malays in the rural sector and a Chinese majority in urban areas for decades to come. This point is understood by government planners. For instance, the Third Malaysia Plan's expectation for Malay urbanization in 1980 is only 21 percent (percent of the Malay population in towns of 10,000 or more; Malaysia, 1976: 149).

Of course, it is possible to redress economic inequalities and opportunities through other channels than by equal proportional representation in urban areas. For instance, spread of educational and medical facilities to rural areas helps to eradicate some of the basic inequalities of access to public services, although the very fact of lower population density in rural areas means that rural residents will usually have to travel further than urbanites to reach such facilities. The moderni-
zation of agriculture and the opening up of land development schemes for landless farmers is an important objective, which has been central to rural development policy since Independence.

Rural industrialization is another important means of equalizing rural-urban disparities. It can create new employment opportunities and supplement farm income among the rural population. There is already a strong local market for necessities such as farm tools, textiles, furniture and housewares, and manufactured foodstuffs. This demand will expand as incomes rise. The technology for such industries is relatively simple and could be adapted to varied local conditions with a sufficient labor supply. A strong and innovative policy directed towards rural industry along with an expansion of employment in urban areas may greatly strengthen programs to eradicate ethnic inequalities, and therefore inter-ethnic tensions.

FOOTNOTES

The research reported here is part of a project on "Social Change and Ethnic Inequality in Malaysia" supported by a research grant from the National Institute of Mental Health (MH 30663). The authors thank Teresa Dark for typing the manuscript.

1. Since Independence in 1957, the government had directed policies to uplift the Malay population, most specifically through rural development programs. But the "New Economic Policy", introduced as part of the Second Malaysia Plan in 1970, represented a major shift as explicit goals were targeted to eradicate poverty and to eliminate racial (ethnic) imbalance.

REFERENCES


