



Bad governance leads to poverty

I was shocked to read that the poverty rate in Malaysia has now spiked to a whopping 8.4% of our population. This information was presented to the nation by the minister for economic affairs, no less.

The country has 32.7 million people. This means, 2.7 million Malaysians are living in poverty.

Just last month, the department of statistics declared that the “absolute poverty” rate in the state of Sabah stands at 25.3% and in Kelantan at 21.2%.

With the population of Sabah being 3.83 million and the population of Kelantan at 1.93 million; this translates to nearly one million Sabahans or a quarter of their citizens, and 410,000 or more than a fifth of all people in Kelantan, living in absolute poverty.

What does absolute poverty mean?

Firstly, poverty is defined as one not having enough money, or the access to resources that allows one to enjoy a decent standard of living.

Absolute poverty is a step further, and is the most severe form of poverty.

The United Nations (UN) defines it as “a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income, but also on access to services”.

Let’s take a second and reflect on what this means for Malaysia.

Using this definition, almost a quarter of the people live in abysmal conditions, in some states.

If this isn’t a staggering figure, I don’t know what is.

When we consider that we just commemorated 64 years of independence, and in a week, we will celebrate 58 years of the formation of Malaysia, with the inclusion of our compatriots from Sabah and Sarawak, the situation looks even more hopeless.

The nation’s infamous New Economic Policy (NEP) is as old as I am. It is all of 50 years in the making. So, it’s quite astounding that we are still confronted with people living in such squalid conditions.

The circles that I find myself in, occupy themselves with the vexations of politicians and political parties. They devote much energy to discussing racial equality and eschewing religious parochialism.

While I generally agree with these sentiments, for people who live in absolute poverty, these discussions are just the self-important musings of the well-fed, and safely housed.

Such discussions, as important as they are, remain relevant only for those with access to water, food, and education.

Let's be clear. This pandemic has magnified the reality that poverty isn't just affecting rural folks in far flung places like the interior of East Malaysia or the distant state of Kelantan.

I live in the heart of Kuala Lumpur, and from my tiny restaurant, I run a meals initiative.

As the months go by, and the requests keep flooding in, I have increased the number of meals that we send out to the hardest hit in our community, from 250 to 750 meals a week.

The requests just don't stop, and I can hardly keep up.

A few days ago, I met the member of parliament for Klang and committed even more meals for those who cannot afford to put food on the table in his locality. And Klang is an urban constituency, yet so many people need help.

It is not just rural Malaysia that is in trouble.

People born into poverty are most likely going to remain poor. This is what widespread statistics worldwide conclude. While some might escape, for the vast majority, simply working hard isn't the solution, when the economic system is stacked against them.

In short, people just remain in their cycle of poverty.

How does Malaysia remedy this situation?

The government must immediately develop and implement rapid and sustained economic growth policies and programmes. And, it must be ensured that the poorest people in our country are able to participate and contribute to this growth.

The Borgen Project, a non-profit organisation that addresses poverty and hunger, conducted research that shows that a 10% increase in a country's average income, reduces poverty by as much as 20-30%.

Our friendly neighbour, Vietnam, is a spectacular example of this. Through their government's concerted efforts to bring rapid development to all sections of the country, they reduced their poverty rate from 58% to 29% in under 10 years.

In Malaysia, on the hand, it is clear that we need to improve management of many things including our water and natural resources. If the denizens of Kuala Lumpur are subjected to numerous water cuts and shortages in a span of one year, can you imagine the state of affairs for rural Malaysia.

Surely, the government is responsible for providing all of us with basic social services that include education, healthcare, adequate food, sanitation, and shelter.

My meals initiative is but a stop-gap measure.

How can our leaders sit back and see my project, and similar projects by ordinary Malaysians, to help each other in these tough times, as the way out?

I am not a developmental economist therefore my thoughts are perhaps simple. But I know for sure that we have experts in poverty eradication in Malaysia who can guide us out of this predicament.

However, as a business owner and leadership trainer, I know it won't happen without good governance.

It is basically about how decisions are made and how effectively they are implemented.

Good governance has to be participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable, inclusive, and follow the rule of law.

And most of all, good governance means that corruption is minimised.

Heck, we all know this, don't we? Are we just asking too much from our government?

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