

GLOBALIZATION AND REGIONAL DEVELOPMENT PLANNING- RETHINKING REGIONAL POLICY IN MALAYSIA

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Introduction

Regional development planning has been carried out for a long time in Malaysia. In fact, right after independence, as early as the First Malaysia Plan 1966-70, regional planning has been a major strategy in national development, but during that time carried out mainly as a strategy in rural development. That phase of regional planning was known as the tacit phase, because, the aims, objectives as well as projects implemented were under the auspices of rural development. Rural development was mainly carried out to eradicate rural poverty and narrow the gap between the rural and urban areas. By nature, a large proportion of the rural population constitute the Malays and other indigeneous group as compared to the other ethnic groups that is the Chinese, Indians and others which at that time constitute the foreigners. Rigourous as it was, the rural development programmes did not very successfully eliminate the problem of rural poverty and most important the gap between the rural malays and the urban Chinese and the resentment culminated in the racial riot of May 1969.

An important response to the racial riot was the realisation of the deep-rooted nature of the problem of unequal development between the major

ethnic groups as well as the regions of the nation and thus the importance of national unity in order for the country to strive forward and achieve development in the coming years. This led to the comprehensive planning response in the formulation of the long-term plan known as the Outline Perspective Plan 1 (OPP1) spanning the period 1970-90 and with it the national policy known as the New Economic Policy (NEP) under which four national development plans had been formulated and implemented.

The goal of the NEP was to achieve national integration through the two-prong objectives of :

- i. the eradication of poverty by raising the income levels and increasing the employment opportunities of all Malaysian, irrespective of race; and
- ii. to restructure the society in order to correct economic imbalances and finally to eliminate the identification of race with economic functions.

To achieve the above objectives, regional development planning was considered as the major strategy and formalized and explicit efforts were started in this field. Regional development policies and strategies under the NEP sought to foster integration amongst the states of Malaysia. This was to be achieved through redressing the economic and structural imbalances these states. Towards that efforts, regional development strategy drew and built upon the strength of each region or state, with the underlying aim of achieving equitable distribution not only of income but also of facilities for health, education, utilities, services, recreation, housing and most important of all, opportunities for social and economic advancement of the people in accordance with the goals of the NEP.

The aim of regional development since it was introduced was thus clearly that of the reduction of uneven development or inequality. This was reflected in the various policy statements of the various plans under both the OPP1 period and the OPP2 period. Under the OPP1 period these policy statements were seen as below:

- i. Greater regional equality.....constitutes part of the balanced goal. The arguments in favour of regional balance....fundamentally rests on the notion that all regions in Malaysia share in benefits of development. (Government of Malaysia, 1971:42)
- ii. To narrow the disparities in the standard of living between regions...through the exploitation of the full potential of the human and physical resources of the less developed regions through the equitable distribution of basic services and amenities (Government of Malaysia, 1976: 99)
- iii. Reducing regional disparities...remains an important issue in national development (Government of Malaysia, 1981: 185); and
- iv. Regional development is aimed at reducing economic disparities among regions (Government of Malaysia, 19986: 165)

The above statements indicated that balanced development among regions was an essential element of the Malaysian development plans during the OPP1 period. The year 1990, marked the end of the OPP1 period within which the objectives of the NEP were to be realized. It was consented that whilst, successful in certain perspectives, the full objectives of the NEP were not realised, and they were to be continued in the following years within the next planning period under the OPP2. Malaysia development planning in these following years is to be in line with Vision 2020 which was formulated and announced by the prime Minister in his speech before an assembly of members of the Malaysia Business Council in February 1991. Its stated objectives is to make Malaysia, by that year, a fully industrialised and developed country. Nine challenges were listed which must be addressed and if resolved will bring about a united, psychologically liberated, democratic, moral and ethical, liberal and tolerant, scientific, caring, economically just and prosperous society. The document is general in nature, but its goals are reflected in the OPP2 which is operationalised through a comprehensive policy framework which replaces the NEP, that is the National Development Plan (NDP). Under the OPP2 until today there are two development plans that are the Sixth Malaysia Plan 1991-95 and the Seventh Malaysia Plan 1996-

2000.

Vision 2020 is essentially a long-term vision containing broad policy directions encompassing the various dimensions of development. It put forward nine challenges to be addressed in moving towards a fully industrialised and developed nation. The challenges are:

- i. A United Malaysian nation which is territorially and ethnically integrated;
- ii. A psychologically liberated, secure and developed Malaysian society;
- iii. A mature democratic society;
- iv. A moral and ethical society imbued with religious values;
- v. A liberal and tolerant society in which Malaysians respect each other's creeds and customs;
- vi. A scientific and progressive society that is innovative and forward-looking;
- vii. A caring society and culture in which the welfare of people revolves around the family and not the individual or state;
- viii. An economically just society; and
- ix. A prosperous society with competitive, dynamic, robust and resilient economy.

The last two challenges are directly related to the economy and reflect the concern for a balanced development. The OPP2 reflects the aspirations of Vision 2020 and embodies the NDP. The OPP2 marks the beginning of a new era in the drive to make the country a developed one by the year 2020. The main objective of the NDP is to attain a balanced development in order to establish eventually, a more united and just society as postulated by Vision 2020. to achieve its objectives the NDP will take the following measures:

- i. Striking an optimum balance between the goals of economic growth and equity
- ii. Ensuring a balanced development of major sectors of the economy so as to increase their mutual complementarities to optimise growth

- iii. Reducing and ultimately eliminating the social and economic inequalities and imbalances in the country to promote a fair and more equitable sharing of the benefits of growth by all Malaysians
- iv. Promoting and strengthening national integration by reducing the wide disparities in economic development between states and between the urban and rural areas of the country
- v. Developing a progressive society in which all citizens enjoy greater material welfare, while simultaneously imbued with positive social and spiritual values and an increased sense of national pride and consciousness
- vi. Promoting human resource development including creating a productive and disciplined labour force and developing the necessary skills to meet the challenges in industrial development through a culture of merit and excellence without jeopardising the restructuring objectives
- vii. Making science and technology an integral component of socio-economic planning and development, which entails building competence in strategic and knowledge-based technologies, and promoting a science and technology culture in the process of building a modern and industrial economy; and
- viii. Ensuring that in the pursuit of economic development, adequate attention will be given to the protection of the environment and ecology so as to maintain the long-term sustainability of the country's development.

It is thus very clear that uneven development or inequality has been and is still a major concern of the Malaysian development policy and the goal of achieving a balanced development forms a major target of the Sixth and The Seventh Malaysia Plans. It has been nearly three decades since regional development policies and strategies were formulated and implemented, the goal remains the same but the focus, dimensions and strategies might have changed. Furthermore, recent trends in regional development very much

related to the process of globalization seems to have surface new forms of regional problems and this might call for new policies and strategies. The challenge is how these new policies or strategies can be implemented not to the expense of the goal of eradicating unequal development or inequality.

Patterns of Regional Development 1970~2000

Unequal development amongst the states of Malaysia generally and Peninsular Malaysia specifically has been a deep-rooted problem. Many factors were identified for the existence of regional gap in development level namely, the physical, historical as well as development policies of the 1960s and weaknesses of the then planning system. Regional imbalance can be seen in various dimensions and at various levels. In this paper the uneven in population, urbanization and economic development would be highlighted. All these dimensions are however related to one another.

Inter-state population distribution

A more precise picture of the spatial distribution of population was available since the 1911 census. This was the first time that data showing population distribution by states were made available and this enable changes occurring in the following census years to be made. Data showing the distribution of population among the states of Peninsula Malaysia between 1911 and 1991 are shown in Table 1. By and large the spatial distribution of population has undergone some changes which has been attributed to several factors including the size of the states, the geographical characteristics, the historical background, the type of economic activities and the government policies that affect the relocation of people. The varying degree of influence exerted by these factors in different states has resulted in an uneven distribution of population.

Generally the population of the Peninsula has been from the very beginning been concentrated in the West Coast states. The proportion of the

Peninsula's Population in the West Coast states have been increasing from 76 per cent in 1911, to 79 per cent in 1921, 81 per cent in 1947, and nearly 83 per cent in 1957. However, since the 1970s, the proportion had slightly decline to 82 per cent in 1970, 80 per cent in 1980 and in further decline to 1991 78 per cent. This decline in a way reflects the various government efforts to develop the East Coast states and simultaneously reducing out-migration from these states. It may be observed that the states with the highest percentage of population in 1911 were Perak (21.4), Selangor (12.6), Kelantan (12.2), Pulau Pinang (11.1) and Kedah (10.5). Over the years a gradual change in the proportionate distribution has taken place with the states experiencing diverse rate of population increase. From the original concentration of population in the north and central parts of the country, the population has slowly extended southwards and to some extent eastwards.

These changes in distribution have been closely associated with the stages of economic development of the country. When tin was the main economic activity, in the second half of the nineteenth century the population tend to concentrate in the northern and central areas of the country. But when the rubber industry became more important, the tin industry stagnated, development and thus the population tend to spread southwards particularly to Johor. Rubber then gave rise to processing industries and this made Johor to become the most important manufacturing state in the 1970s. The economic diversification and emphasis on land development from the early 1960s continued the southward shift as well as encouraged the movement westwards as land were opened up for rubber and oil palm in the states of Negeri Sembilan, Pahang and Johor. Despite the trend towards decentralisation of population, most of the population is still concentrated in the north central part of the West Coast axis. Both Perak and Selangor have long been the most populous states. Selangor by passed Perak in terms of population since the 1960 and had since then been the most populous state. Perak remained the second ranked as far as 1980 and in 1991 has been overtaken by Johor. Both Perak and Selangor had been tin-producing areas with major agricultural and urban-based activities as well. In recent decades the growth of manufacturing and commercial activities in both the states as

well as Johor had attracted the internal migrants to these states. On the whole, between 1970-80 there was no change in the rank of the states in terms of their population. In 1991 however, some slight changes occur indicating a stabilisation in the patterns of population distribution

A clearer picture of the pattern of population distribution can be obtained by analysing the population density of the various states (Table 1). It is clear that in 1947, population density seemed to be high in the states of Pulau Pinang, Melaka and Selangor. This pattern is believed to be the result of both historical and economic factors. The pattern remained in the following years parallel with the concentration of population in other states as well. The density figures by states however, do not really give an adequate picture of the actual densities particularly of small pocket areas within a state.

This can be obtained by analysing the population density by districts. Figure 4.4a shows that there exist basically two main belts of population concentration in Peninsular Malaysia, one along the West Coast lowlands and the other, centred around the Kelantan and Trengganu Delta in the east coast. A third zone of sparsely populated mountainous interior lies between the two major belts. The western Zone of concentration lies throughout the entire Peninsula. In 1970, the average population density was 142 persons per sq kilometer and the zone consists of about 78 per cent of the Peninsula's population. Within this zone, 5 major pockets of population concentration can be identified. The first is a coastal belt in the northwest, which includes Georgetown which in 1970 was the second largest town. The second pocket is the Kinta Valley, the prime area of tin mining and also an important producer of rubber. The town of Ipoh is located here. The third area is the Klang Valley which includes the Klang port, and Kuala Lumpur which is the centre of economic development of the country. The fourth pocket, just south of the Klang Valley Region includes the towns of Malacca and Seremban and finally the last area of high population density is at the southern tip of the Peninsula. On the other hand, the northeastern belt is an area of low population density consisting of about 9 per cent of the Peninsula's population mainly of farmers and fishermen. However, this zone consisted of continuous districts with

moderate population density of between 20-40 persons per sq kilometer and with extensive land development programmes.

Table 1. Distribution of Population by State, 1911 - 2000 (%)

State	1911	1921	1931	1947	1957	1970	1980	1991	2000
Selangor	12.6	13.6	14.1	14.5	16.2	18.5	13.0	16.2	
W. Persk	-	-	-	-	-	-	8.4	8.1	
Perak	21.4	21.0	20.7	19.4	19.4	17.8	15.9	13.3	
Johor	7.7	9.7	13.3	15.0	14.8	14.5	14.4	14.7	
Kedah	10.5	11.5	11.3	11.3	11.2	10.5	9.9	9.2	
P. Pinang	11.1	10.1	9.0	9.1	9.1	8.8	8.2	7.5	
Kelantan	12.2	10.6	9.6	9.1	8.5	7.8	7.9	8.4	
Pahang	5.1	5.0	4.8	5.1	5.0	5.7	7.0	7.3	
N. Semb.	5.6	6.5	6.2	5.0	5.8	5.5	5.0	4.9	
Trengganu	6.6	5.3	4.7	4.6	4.4	4.6	4.8	5.5	
Melaka	5.3	5.3	4.9	4.9	4.6	4.4	4.1	3.6	
Perlis	1.4	1.4	1.3	1.4	1.4	1.4	1.3	1.3	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: Own Calculation from census data.

The decade 1970-80 not only witnessed tremendous socio-economic development in the country but also saw the period when many regional development programmes were being implemented. This in many ways had resulted in a redistribution of population to the central state of Pahang and the East Coast states of Kelantan and Trengganu. However, the east- west dichotomy of population distribution which in a way is closely related to that of economic development remained. The year 1980, saw a more balance distribution of population but more important maintained the dominance of the west coast zone with some areas increasing in population densities with the development of more urban centres. The trend and thus pattern of population distribution continues into the 1990. (Figure 1)

It is thus clear that population growth and distribution in the Peninsula had been influenced by many factors including, the natural advantage, history, the spread of economic development and government intervention. Population originally centred in locations endowed with natural resources which then became centres of economic activities. With development population spread throughout the Peninsula but remained concentrated in certain parts of the country.

Table 2. Population Density by states 1947-91 (persons per sq km)

State	1947	1957	1970	1980	1991	2000
Selangor	89	127	199	485	305	
W.Persk.	-	-	-		4712	
Perak	45	58	75	83	95	
Johor	39	49	67	83	115	
Kedah	59	74	101	114	145	
P.Pinang	432	554	751	872	1097	
Kelantan	30	34	46	57	82	
Pahang	7	9	14	21	30	
N.Sembilan	40	40	72	83	103	
Trengganu	17	21	31	40	63	
Melaka	145	176	245	271	327	
Perlis	88	114	152	182	239	
Pen.Malaysia	37	48	67	83	114	

Source: Compiled from various Malaysian Development Plans.

Interstate Urbanization and Urban Growth 1911-1990s

The pattern of urbanization between the various states differs and changes through time (Table 3). Several conclusions can be drawn from the table with regards to the pattern of urbanization. Generally, all states experienced an increase in the urbanization level between 1947 to 2000. In 1947, only the three states of Penang, Selangor and Melaka had urban populations exceeding 20 per cent of their total population. All these states are in the west coast and played a major role as either trading, economic or administrative centres during the period. In 1957, six states had more than 20 percent of their population residing in the urban areas with the addition of Perak, Pahang and Johor, with Pahang registering the highest level of increase. Penang remained the most urbanized state followed by Selangor. However, during this period, all 10 states experienced an increase in the level of urbanization.

Table 3. Level of urbanization by states 1911- 2000

State	1947	1957	1970	1980	1991	2000
Johor	15.4	21.8	26.3	35.2	48.0	56.4
Kedah	8.2	13.3	12.7	14.4	33.1	36.9
Kelantan	5.1	9.8	15.1	28.1	33.7	35.7
Melaka	22.8	24.0	25.1	23.4	39.4	49.8
N.Semb	13.2	17.8	21.5	32.6	42.5	47.6
Pahang	-	22.2	19.0	26.1	30.6	33.7
Penang	52.9	56.7	50.9	47.5	75.3	86.1
Perak	17.1	25.0	27.5	32.2	54.3	67.8
Perlis	-	-	-	8.9	26.7	35.3
Selangor	32.7	43.0	45.0	34.2	44.6	45.7
K.L	-	-	-	100.0	100.	100.
Trengg	11.9	19.0	27.0	42.9	44.6	45.7

Source: United Nations 1982; Malaysia 1996.

During the 1957-70 period, the tempo of urbanization in all the states slowed down, infact was negative in the three states of Kedah, Pahang and Penang which experienced a decline in the level of urbanization. In the two northern states, the decline was due to the end of the Emergency when the population returned to the urban areas while in Pahang, it was largely due to the opening up of large land development schemes which brought in population from both within and outside the states, thus led to a huge increase in the rural population and a reduction in the urban population. Penang however remained as the most urbanized state. Kelantan and Trengganu in the east coast however experienced a high tempo of urbanization during this period largely due to the increase in the number of towns.

The tempo of urbanization continued into the next period of 1970-80 with the west coast and the more developed states experiencing a lower tempo than the east coast states. As a result the increase in the level of urbanization was smaller in these states thus the gap in the urbanization level was generally reduced. This was the result of the various strategies and programmes of the New Economic Policy with the goal of urbanization decentralisation and inter-regional urbanization dominated the pattern of urbanization during this period.

The 1980-90 period however, saw a rapid tempo of urbanization in almost all states especially the developed ones. The developed states experienced intra-regional urbanization with the growth of urban centres within a certain region and corridor especially the Central Region, the Klang Valley region and along the east-west development axis. Thus the urbanization level of states like Selangor, Penang, Johor increases tremendously. This pattern is envisaged to continue into the 1990s, although at a slower tempo thus maintaining the pattern of concentration of urbanization level mostly in the West Coast states.

The levels and rates of urbanization between the states of Peninsular Malaysia throughout the period of 1947-1991 were very unequal. They vary according to various factors including city size and ethnic group. However, these issues had been given due consideration in the various government

development policies. Although it cannot be denied that the various policies had been seen to be effective in promoting equal urbanization level, the impact in some states were minimal such that most of the rural districts (those with 0 per cent urban population) remained more or less the same in terms of their distribution throughout the period of 1947-57. Although the number of rural districts decrease and the number of urban districts increase, their distribution remained quite unchanged.

The rapid urbanization in Malaysia has also been accompanied by tremendous rate of urban growth, which from the very beginning was also seen to be imbalanced in pattern.

Urban growth in Peninsular Malaysia can be traced back to historical times but the year 1970 marked the beginning of an era of rapid urban growth in the country with tremendous increase in the number of urban centres. This was also a period of inter-regional urban growth which saw the growth of more urban centres in some less developed parts of the country (Figure 2) and the following decade of 1980-90 a period of intra-regional urban growth. Like the urbanization level, the pattern of distribution of the urban centres throughout the country was very unequal from the very beginning. Urban centres were mainly located on the western part of the Peninsula this being much related to the concentration of socio-economic development in this part of the country and the east-west dichotomy of development. The distribution of urban centres in Peninsular Malaysia can be seen in Table 4.

The present-day distribution of urban centres is not much different from the earlier distribution. Although the number of urban centres increases, the number of centres in the less developed states also increase the concentration remained in the western part of the Peninsula with obvious polarisation in the Central and the Southern Region. Figure 5 show in greater detail the distribution of urban centres throughout the years and the concentration in the Klang Valley region and the state of Johor is much obvious, this related to the rapid intra-regional urbanization process especially in the 1980s. It is envisaged that this recent development bears close relationship to the distribution of inequality (Figure 6).

It is obvious from the above discussions that Peninsular Malaysia had followed a colonial pattern of urbanization and urban growth pattern. Urban centres originated from port centres and the exploitation of resources in their hinterland led to the rise of a series of other centres. These centres were linked by adequate rail and road network and through time an integrated network of settlement system was produced. The Malaysian urban system thus started as a multi-node hierarchy, later showed a tendency of concentration in the primate city of Kuala Lumpur. However, the decentralisation policy of the 1970s led to the development of urban centres throughout the country thus producing an almost balanced hierarchy. Recent development in a few regions and in the major metropolitan towns however, may bring back the unequal distribution of urban centres as in the early years and this might have implications on the distribution of development as well.

Table 4. Number of urban centres with population of 10,000 and above 1911-91

State/ Year	1911	1921	1931	1947	1957	1970	1980	1991
Johor	-	2	3	4	5	7	12	12
Kedah	-	1	1	2	3	3	3	4
K'tan	1	1	1	1	1	5	6	8
Melaka	1	1	1	1	1	2	2	2
N. Semb	-	1	1	1	2	3	4	4
P'hang	-	-	-	-	4	4	5	5
Perak	3	4	4	4	9	8	8	8
Perlis	-	-	-	-	-	-	1	1
P. Pinang	1	1	2	4	4	5	6	9
Selangor	1	2	2	2	5	7	7	20
Trengganu	1	1	1	1	2	5	3	3
K.Lumpur	-	-	-	-	-	-	-	1
P. Malaysia	8	14	16	20	36	55	67	74

Source: Cho, 1992 and Department of Statistics 1991.

Interstate Inequality 1970-2000

The position of the states of Peninsular Malaysia in terms of economic growth can be seen from the analysis of their contribution to the national GDP. Uneven growth between the states has been occurring since the very early times, and several factors have been identified as events leading to this situation including, the impact of colonial rule, accessibility and the legacy of the earlier planning process. In 1970, Selangor and since 1974, Kuala Lumpur together with Perak and Johor were the major contributors to the national wealth. Other West Coast states of Penang and Negeri Sembilan occupied an intermediate position. Structural modifications in the economy in the 1970s had entrenched Selangor and Kuala Lumpur at the top with a combined GDP of RM 12.9 billion followed by Perak and Johor with a GDP of RM5.0 billion each. The head start in industrialization and the advantage accruing from the agglomeration of economic activities in some of the West Coast states had given a permanence to the traditional east-west dichotomy between the states in Malaysia (Figure 7). A notable exception of this pattern is that of Trengganu which has since the early 1980s managed to break away from the ranks of the underdeveloped states. This enhanced position has been largely due to the discovery and exploitation of oil in the exclusive economic zone, which falls under the jurisdiction of the state.

Further detail on the growth at the state level would be obtained by the analysis of the per capita GDP. Table 5 shows that on the whole, the per capita GDP of all the states had increased between 1970 to 1990 and in most cases expected to further increase by the year 2000. However, it should be noted that the increased in most states for the period 1970-80 are phenomenal. Between 1980-90, most states also experienced an increase in the per capita GDP, except for Kelantan. However, several states experienced only a low increase notably, Kedah, Kelantan, Pahang and Perak. On the other hand, states with larger increase are Johor, Selangor, Trengganu and Kuala Lumpur. All these states with the exception of Trengganu are on the west coast of the Peninsula (Figure 8). Structural change that occurs at the national level to some extent is also found at the state level. The fast economic growth in some

of the west coast states is attributed to an economic structure characteristics of that of a newly industrializing economy in which GDP contribution are largely dependent on the manufacturing sector

Table 5. GDP per capita by states 1970,1980,1990 and 2000 (RM Million)

States	1970	1980	1990	2000
Johor	900	2,916	4,082	7,831
Kedah	665	2,102	2,612	5,423
Kelantan	463	1,489	1,727	2,411
Melaka	798	2,297	3,723	7,933
N.Sembilan	979	3,440	3,744	6,067
Pahang	975	3,182	3,648	6,937
Perak	981	2,853	3,532	5,029
Perlis	*a	2,265	2,936	10,867
P.Pinang	987	3,649	5,246	11,093
Selangor	1,617	4,610	6,341	11,209
Kuala	*b	3,750	6,993	5,329

Note; *a: included in Kedah; *b: included in Selangor.

Source: Malaysia (1986, 1991 and 1996).

In 1970, the four west coast states of Selangor, Johor, Perak and Pulau Pinang constitute the manufacturing centres such as Penang, Ipoh, Petaling Jaya, Shah Alam and Johore Bahru, in which 75 per cent of the country's manufacturing output originated. At the same time, these states, apart from Pulau Pinang derived a substantial share of their growth from the agriculture sector. In 1980, the contribution of these states to the national manufacturing output increased to 77 percent. The contribution of the manufacturing sub-sector to the states economy had increased to 37 percent in Selangor, 18 per cent in Kuala Lumpur, 24 per cent in Johor and 41 percent in Pulau Pinang (Malaysia, 1986).

The decade 1980-90 witnessed further structural transformations in the economy, again especially in the West Coast states of Selangor, Kuala

Lumpur, Pulau Pinang, Johor and Perak. By 1990, the manufacturing sector was contributing to 27 per cent of the national GDP. Although the manufacturing sector was also growing in the other states in response to the decentralization policy, their aggregate production was far from impressive this very much due to the industrialisation policy for the period and the attractive incentive packages for investments.

The years after 1991-95 formed the period of the Sixth Malaysia Plan. During his period the position and role of the manufacturing sector in the economic development of the states were further enhanced. The manufacturing, construction and service sectors provided the main impetus for growth in all the states. The manufacturing sector grew at 13.3 per cent per annum at the national level and recorded double-digit growth rate in most states (Malaysia, 1996). Selangor, which was the fastest growing state, continued to be the nation's major industrial centre with manufacturing alone contributing to about 50% and 33% of the value added of the state and the country respectively. The good infrastructure facilities in Selangor continued to make the state the major destination for manufacturing investments particularly in electrical goods, electronics, furniture, food manufacturing, and fabricated metal industries. Other west coast states of Pulau Pinang, Perak, Negri Sembilan, Melaka and Johor also recorded high growth rates of between 11.8% to 16.2% in the manufacturing sector. The sub-sectors predominant in these states include electrical and electronics and textile and apparel industries.

On the other hand, the other states where the mainstay of the economy has been the agriculture sector like Pahang, Kedah and Trengganu also recorded high growth rates of the manufacturing sector. In Kedah, the rapid growth rate of the manufacturing sector was the result of the spill-over from the manufacturing activities of Pulau Pinang. The manufacturing activities in this state concentrated in the industrial estates of Sungei Petani and Kulim. In the states of Pahang and Trengganu the rapid growth of the manufacturing sector is related to the development of wood-based and petro-chemical industries.

The construction sector also experienced rapid growth in most states during the period 1990-96. The buoyant growth of this sector was stimulated

by the implementation of infrastructure and residential projects. This is especially true in Kuala Lumpur, where the construction sector grew impressively at the rate of 17.4 per cent per annum largely due to the implementation of massive projects like the Kuala Lumpur City centre and the Light Rail Transit System. The growth rate of 12.7% in the state of Selangor was much related to the construction of The Kuala Lumpur International Airport in Sepang and also to large scale residential and commercial development. The service sector grew in tandem with the manufacturing and construction sector and like the se sectors the rapid development of the service sector is especially clear in Selangor and Kuala Lumpur.

The agriculture sector, grew at a lower rate during this period. Nevertheless, agriculture remains the dominant sector of the economy in many states. It is very clear from the above discussions that since the 1970s especially, the Malaysia economic structure has continued to undergo transformations. This is true at the national level and to a certain extent in some states. At the state level, clear structural transformations are taking place in most West Coast states especially the two-fastest growing. However, it is also clear that other states are also experiencing the same transformation but at a slower rate. This can be seen in Kedah, Perlis, Pahang, Trengganu and Kelantan where the dependent on the primary sector is slowly declining and parallel to this is the increase in he contribution of the secondary and the tertiary sectors.

A further indicator to the unequal growth level between states is ratio of GDP per capita to Malaysian average. This indicator would enable us to identify the fast growing states and the slow growing states based on the comparison of their GDP to the national average (Table 7.2). It is obvious from the table that the states of Melaka, Negeri Sembilan, Pulau Pinang, Johor, Selangor, Kuala Lumpur, Trengganu and Pahang are those which have experienced improvement in terms of their per capita GDP in relation to the national average. All these states with the exception of Trengganu are the west coast states of the Peninsula. Out of these seven states, Pulau Pinang, Selangor, Kuala Lumpur and Trengganu had a per capita GDP of more than

the national average both in the 1970s and 1980s. This means that these states grew at a faster rate than the national level. The other states of Kedah, Pahang, Perak and Perlis experienced moderate growth while the states of Kelantan experienced less than half the national rate. It is clear here that the developed West Coast states are also the fast-growing states while the less developed East Coast states are the moderate and slow growing states. This trend is envisaged to continue although at a lower rate and thus the pattern of growth for the year 2000 is not much difference (Figure).

A more general picture of the unequal growth among the states can be gauged by analyzing several development indicators by the states. This can be seen in tables, which to a very large extent supplements the above discussions and perhaps more importantly also shows that to a certain extent the development gap between the states has been reduced over the three decades.

**Table 6. Ratio of Per capita GDP to Malaysia Average by states
1970, 80, 90 and 2000**

State	1970	1980	1990	2000
Johor	0.91	0.91	0.92	1.03
Kedah	0.67	0.65	0.59	0.71
Kelantan	0.47	0.46	0.39	0.32
Melaka	0.80	0.71	0.84	1.04
N. Sembilan	0.99	1.07	0.85	0.96
Pahang	0.98	0.99	0.82	0.80
Perak	0.99	0.89	0.80	0.91
Perlis	*a	0.70	0.66	0.66
P. Pinang	0.99	1.13	1.19	1.43
Selangor	1.63	1.43	1.43	1.46
Trengganu	0.60	1.15	1.58	1.48
K. Lumpur	*2	1.98	1.92	2.02

Note: *1: included in Kedah, *2: included in Selangor.

Source: Government of Malaysia (1986, 1991, 1996).

Regional Development Policies and Strategies 1970-1990s

Regional policies in Malaysia

The 1969 racial riot brought about a swift change in the emphasis of regional planning in Malaysia. The ultimate objective of the regional policy during the SMP period was the reduction of inequalities between the various regions and states of the country. This was to be achieved through the two prong objectives of the NEP. However detailed statements regarding the country's regional development policies are found in the Third Malaysia Plan 1976-1980. The thrust of these policies may be summarised as follows:

- i. steering the location of the future expansion of agriculture, industry and services towards the lagging states of the country;
- ii. utilisation of in-situ development via an integrated approach to raise the productivity of depressed regions;
- iii. exploitation of indigenous state resources for development;
- iv. a regional industrialization policy package which includes fiscal incentives, development of industrial estates, ready made facilities infrastructure, power and transport facilities; and
- v. utilization of growth centres and growth corridor strategy for regional development.

The above policies are largely complementary to each other and are flexible to be adopted in the various conditions of the states, as well as the development of new towns which could act as growth poles are being reinforced by industrial estates and other development schemes that emerged from the policy of dispersal of industries. Alternatively, land development is directed towards both the land -rich states like Pahang and Trengganu as well as the less rich states like Kedah, Perlis and Kelantan. Also, within each of the policy stated above there are micro and macro policy options. Among the macro-policy options are regionally discriminating tax and expenditure policies, regionally discriminating monetary policies and regionally discriminating tariff and trade controls. On the other hand, among the

micro-policy options are policies to reallocate labour, spatial reallocation of labour and policies to reallocate capital.

Although in Malaysia not all the policy-options have been utilised a number of ad hoc policies do exist particularly those relating to industrial dispersal. The above regional policies which are formulated at the national level act as guidances for regional development planning. Based on these policies strategies are formulated and implemented in the form of the various regional development programmes.

Regional Development Strategies in Malaysia

Generally there are four major regional development strategies that have been adopted to achieve the aims of regional development. These are:

- i. Land Development and Resource Frontier strategy
- ii. Integrated and In-situ Agriculture strategy
- iii. Industrial Dispersal strategy
- iv. Growth centres and rural urbanization strategy.

All the above strategies have been implemented in the various regions of the country. The strategies implemented in the different regions depend on the characteristics of the region, the major regional problem and also the potential for development. Often times more than one strategy are implemented in a particular regional programme.

During the 1970s and the 1980s a number of regional studies have been carried out and masterplans are produced for specific regions. Most of these masterplans are being implemented while a few were not for various economic and political reasons. The location of the various regional development authorities as well as areas covered by the various masterplan studies.

Basically, these programs can be divided into three major types according to their major orientation. Firstly, there is the In situ- Type of programs which are mainly agriculture programs carried out in traditional established villages. There are two sub-types of this program that is the padi and the

non-padi crops. While the programmes in the padi areas are mainly related to irrigation and other agricultural infrastructure, the non-padi programs are usually land consolidation and rehabilitation projects with the major objective of improving output. Some examples of these type of programs are the Muda Agricultural Development, the Besut Irrigation and Agricultural Development, the North-West Selangor project which are padi oriented and the West Johor Project, and the North Malaya project which are non-padi oriented. These projects are mostly guided jointly by the federal and the state government and the organisation involved in implementation and coordination are either corporate organisations or steering committees. Secondly, there are the resource frontier programmes which are most important regional

Recent Regional Development Trends

The aim of achieving a balanced development between and within states has been maintained in the Seventh Malaysia Plan (1996-2000) and although not explicitly stated remained in the Mid Term Review of the Plan. The emphasis of regional development in this plan is to achieve an equal distribution of development through efforts aimed at maintaining the momentum of present growth especially amongst the less developed states. Regional development efforts during this plan period has two dimensions that is the national and the international dimensions. Within the national dimension emphasis would be on maximising the utilisation of resources and to increase the potential of development amongst states. At the international level, regional economic integration through the establishment of growth triangles, which has been started at the end of the 1980s would be continued. The impact of the various development on inequality would be examined in the present chapter. Certain major development would be discussed and the expected impact highlighted.

Mega-Urban projects

Mega urban projects refer to large-scale urban projects related to industrial, infrastructural and service activities. These projects are usually carried out as efforts towards modernising and developing the country as to achieve the aim of becoming a developed nation by the year 2020. A number of such projects are also carried out as efforts towards distributing growth throughout the country. Although there are many such projects which have been identified this chapter would focus on a few projects especially those related to regional development.

K. L International Airport and the Airport City in Salak South

The Kuala Lumpur international Airport (KLIA) is a mega project on a site of 10,000 hectares. This project started in 1994 and would be developed in several phases with the first phase expected to be completed by the end of 1997 and starting operation by 1998. With a total allocated expenditure of about RM 8-9 billion, the project is envisaged to generate 30,000 jobs during the construction phase and on completion is expected to generate RM 150 billion investment to the government of Selangor and also Negeri Sembilan. The KLIA is located in the Mukim of Labu and Sepang in the district of Sepang, Selangor (Figure 8.2). The site is located about 70 km south of the city of Kuala Lumpur with the main access via the Express Rail Link which runs between the City Air Terminal in Brickfields and the main terminal of the airport with an estimated travel time of 30 minutes. Besides this, both the service of the Keretapi Tanah Melayu (KTM) and the Light Railway transit will service this area. Besides the main airport development, this project is also expected to stir other forms of downstream as well as urban development especially the setting up of the Airport city of Salak south. This is a development of a cyber city of mixed development to complement the airport on an area of about 6,000 acres.

The Multi-Media Supercorridor (MSC) and the mega-city of Putra Jaya and Cyber Jaya

The MSC project is the reaction of the government of Malaysia to the revolution of information technology and its role in development. The role of information technology has long been realized but was only in the Sixth and Seventh Malaysian Plan that plans were initiated to develop it as an important commodity. The application of information technology started in 1994 with the formation of the National Information Technology Council chaired by the Prime Minister himself. The first step was made towards efforts to provide the basic infrastructure for information technology (Malaysia, 1996), this being followed by the formation of the National Master Plan for Information Technology which identifies programmes towards transforming the society to an information base society. The MSC project was announced in August 1996 as one of the major projects of information technology development.

The MSC covers an area of about 67,000 hectares or 750 km sq. and includes the tallest building of the Petronas Tower in the north, Putrajaya in the centre and the KLIA in the South (Mohd Nasir, 1997). The boundary of the MSC transgresses the boundary of the states of Selangor and Negeri Sembilan and the Federal Territory of Kuala Lumpur.

Several factors influenced the choice of the location of the MSC. Amongst the important factor is the strategic location of the area being close to the Klang Valley Region, highly populated, stable economy and good accessibility. The area is bordered by the Seremban -Kuala Lumpur Highway in the east, the South Klang Valley Highway and the North-South Highway to the west and the Shah Alam expressway in the north. The area would be developed with various projects with an estimated investment of about RM 5.5 billion including the development of two international cities of Putra Jaya and Cyberjaya.

Putrajaya will be the new administrative centre of the country while Cyberjaya will be an intelligent city serving as the multimedia industrial centre, research centre with the Multimedia University and also the location

for multi-national companies from all over the world. It is estimated that the development of the area would generate about 150,000 jobs and housed about 100,000 population.

In order to be certain that the MSC will develop the Malaysian government had identified seven flagship of application, including: the electronic government, worldwidemanufacturing intelligent schools, Tele-medicine, multi-purpose card, R and D cluster, web and borderless marketing. It is clear that the MSC development would bring about tremendous change to both the region and the society. The development of both Putrajaya over an area of 4,400 hectares and an estimated population of 250,000 and the intelligent city of Cyberjaya over an area of 7,000 hectares with an estimated population of 240,000 (Majlis Daerah Sepang, 1995) will have tremendous impact on the urbanization level and pattern of the the Central and the Southern Region of the country. The level of intra-urbanization process in the Central and Southern part of the Peninsular will lead to a formation of a mega- urban region and the concentration of development in this region would lead to the formation of a mega-metropolitan region.

With the present trend and pattern of urban development, more mega urban regions will be created with the Central, Southern and the Northern mega-urban region already well established. This recent trend will definitely bear strong implications on regional development planning in the country

Sub-urban development

The above form some of the major mega urban development of the country. Concurrent to those developments, is several sub-urban development carried out in the sub-urban areas along the major development corridor of the country. Among the major developments include the Lembah Beringin project on the Selangor-Perak border which is the location of the manufacturing of the second national car covering an area of about 1,600 acres and the formation of the proton-city. Next, a larger development of the Lembah Bernam covering an area of about 6,000 acres consisting of mixed development by Perbadanan Kemajuan Negeri Selangor and the develop-

ment of a technology city. Other sub-urban development includes the Pulau Indah Development (6,500 acres) of an industrial township, the Pulau Carey development (2,000 acres) Marine Industrial Park development (4,000 acres) and in the other states these sub-urban development mainly include the development of technology parks and industrial estate.

Vanishing borders in regional development- the impact of growth triangles

The 1990s witnessed one of the most important developments in the world trade system, seen in the emergence of regional trading blocks with the aim of increasing economic cooperation and trade liberalisations between regions. Since the 1980s, in the Asia Pacific region, several localised or sub-regional economic cooperation zones have emerged. These zones are basically transnational economic zones spread over well-defined geographically proximate areas usually covering three or more countries. They have also been referred to as economic territories (Scalapino, 1992), extended metropolitan regions (Mc Gee and Macleod, 1992), and growth triangles. The term growth triangle came into common use after the announcement of the sub-regional economic cooperation between Singapore, Southern Johor and Indonesia in 1989. Growth triangles were established to exploit complementarities between geographically contiguous areas of different countries to promote external trade and investments

Among the growth triangles in the Asian region are the Southern China Growth Triangle, the Tumen River Area Development Programme, the Yellow Sea economic Zone, the Northern ASEAN Triangle (IMT-GT), the East ASEAN Growth Triangle (BIMP-EAGA) and the Southern Growth Triangle (IMS-GT). The three growth triangles in the ASEAN Region were developed as an attempt to enhance existing economic interaction and to capitalise upon the vast potential for development on a joint basis for mutual benefits. It started with the establishment of the IMS-GT and although this triangle did not advance fast enough in the beginning, it had synergised the establishment of the other ASEAN sub-regional cooperation.

Challenges for Regional Development Planning

In the past half a decade, as a result of the process of globalization, a new form of regional development has taken place, not only there has been a bias towards urban, industrial and service oriented typed of development, they are mega projects, very much related to business, industrialization as well as urbanization and in terms of location concentrated in the central and southern corridor of development. This would obviously have great implications on regional inequality since the location of such development is largely in the most developed part of the Peninsular.

The impact of globalization on the economy and spatial patterns of development in developing countries has been a major focus of attention and their implications for urban and regional development have been widely discussed. (see for example, Lee 199; Mc Gee 1995; and Douglas 1998). In the Asia Pacific and the Southeast Asian region, there are several spatial manifestations of this process which are very clearly seen in some countries and emerging in others. Malaysia, unlike some Asian countries is slowly and surely showing signs of those manifestations. Mc Gee 1995, identified five emerging spatial patterns as a result of globalization namely; polarization of development, emergence of mega-urban regions, formation of world cities and international urban hierarchies, transborder regions and international networks and development corridors. An additional manifestation is the emerging polarization of international migrants especially in major urban centres. The following are clearly emerging in Malaysia, though at a much slower rate.

- i. *Polarization of Development* – concentration of development in several urban areas-regional and rural-urban disparity have been a deep-rooted problem in Malaysia. However, the regional development policies implemented hitherto have been fairly successful in reducing inequalities. Recent development however, have been characterized by the implementation of mega-urban projects which are largely centred in the western and southern states which are already the most developed states

of the country. These urban and associated development will exacerbate the level of spatial disparities (Fauza, 1999).

Formation of mega-urban regions. Figure shows the distribution of these regions, they are just emerging and has yet to reach of some mega-urban regions of other Asian countries, they would definitely have important planning implications. These regions are characterized by high technology based economic activities and thus the appearance of a high income society with certain demand in living conditions. This resulted in the appearance of fortified condominiums and neighbourhoods where lifestyle imitates that of the western "mall-based" supermarkets. This new development has been part of an intensification of landuse conflicts, magnifying the already obvious contrasts between opulence and poverty and between encapsulated living spaces and urban environmental deterioration. This trend is very much obvious in the mega-urban region of Kuala Lumpur. It is envisaged that the implications of the various projects on regional growth would be great. It cannot be denied that the mega-urban and sub-urban projects would play a tremendous role in promoting growth in their particular regions. It is beyond doubt that the growth of mega-urban cities with modern and technology-based activities would be a catalyst to the regions and the country's growth but it is also envisaged that these projects will promote more growth in the already developed urban regions or districts and thus accentuate the inequality gap between the urban and rural districts. Furthermore, it should be remembered that too much growth within this region is not without any problems. Urban regions especially mega-urban regions would have physical, economic and social problems of their own and for the country in line with the change in the role and characteristic and design of the urban centres the new problems would be different in nature and dimensions. Sustainable regional development planning should thus be on the very sgments of planning in the coming years.

- ii. *World Cities and international urban hierarchies.* Although Kuala Lumpur does not enjoy the status of a world city, Malaysia is considered to be very ambitious in her attempt to jump start the

capital city as a world city. Now home of the world's tallest building, the 446 metre Petronas Twin Towers and the Kuala Lumpur Commercial Centre (KLCC) surrounding it, linked to a new international airport designed to serve the hub of Asia by the high tech and high wire MSC together with the twin digital cities of Putra Jaya and Cyber Jaya--all these would enhance its competitiveness to achieve the status of a world city.

- iii. *Transborder Regions* These regions resulted from the formation of regional development cooperations are seen all over the Pacific Rim and Asian countries. In Malaysia, the development of the three growth triangles discussed earlier has led to the formation of these regions which demand a new form of international regional development planning. Another new dimension is the international regional development transgressing the national boundary and the decrease in importance of rural regional development programs. What are the impacts of such developments on regional inequalities and regional policy on the whole? As far as the trans-border regional development programs, the impact would also be positive and negative. While growth is inevitable in certain major districts whether it can be redistributed throughout the entire region is questionable. Several studies had been carried out on the impact of the growth triangle on regional inequality and until very recently it is said to caused greater polarisation rather than decen-tralization (See for example, Perry, 1989 and Fauza, 1996). Although the regional growth triangles covers almost every state in the Peninsular and mostly rural districts, the two more underdeveloped states of Kelantan and Trengganu do not fall under any of these regions. Furthermore, the projects carried out in these regions are mostly industrial, service and urban based contrary to their rural setting. It is feared that the experienced of
- iv. *International Networks and Development Corridors*. World cities, mega-urban regions and transborder regions are all linked

together through high tech communication infrastructure and information technology and eventually forming an international development corridor. As far as Malaysia is concerned, these trends can be seen in the links between new international and world hub airports in Osaka, Nagoya, Seoul, Hong Kong and Kuala Lumpur.

Lastly, another obvious manifestation of globalization is the polarization of migrant workers in the major urban centers of the country. Whilst the need for these migrant workers in several economic sectors justify their existence, their illegal entry and sheer numbers are with all sort of social, economic and political problems. Amidst these new spatial structures, Malaysia is still entrenched with the old problems of uneven development between the urban-and rural areas and between the various regions of the country. The question is how would regional policy now react to these new trends and what form of urban and regional policies would be appropriate? This calls for a rethinking of regional development policies in the country.

Policy Implications and Recommendations

From the above discussions, it looks as if that regional planning in the last half a decade or so and certainly in the new decade has been and would be confronted by certain dilemma--it has reached a crossroad where certain choices have to be made. Basically, the choices includes:

- i. To change or continue adopting the strategy of growth with distribution. It would seem rather clear that although the impact of this approach to development require a long time to be seen, a continuous efforts along this approach would in the coming years, means that tremendous efforts and more important amount of allocations be made to regional development projects spread throughout the country. On the other hand, a growth strategy would call for concentration of development efforts to

achieve national economic growth which would be distributed to the various parts of the country anyway. The basic question is whether the least developed areas of the country are ready to receive the effects of national growth.

- ii. To give attention to the rural or the urban dimensions of regional problems and thus a - rural or urban based approach to regional planning? In terms of their location, the past regional development programmes were largely rural in nature. This was because of the nature of the regional problem where the depressed areas are mainly rural areas. However, the strategy adopted in these regional development schemes are also urban-based activities which was part of the reasons why some of these programmes failed to achieve their goals mainly due to the inappropriateness of the strategies and the activities carried out. Since the mid-1980s however, these programmes seemed to have decrease in importance and the rate of industrialization and urbanization during the last decade seemed to have change the dimension of the regional problem. Thus it is rather pertinent to review and emphasise the focus of regional development planning because the emergence of the so-called urban regions and thus urban problems is still beset with obvious rural depressed areas especially in the eastern and the northern states.
- iii. To adopt a national or international form of regional planning ? In view of the continued existence of intra-national inequality it would be questionable what the impacts of such form of development be on regional inequalities. Would it be possible to limit the leakage of growth to other regions of the country and how would this be overcome? On the other hand, in the midst of the globalisation era, and the emergence of its impact on the Malaysia regional development scene like the emergence of mega-urban regions, trans-border regions, corridors of development and the influx of international migrants, it would

seem inevitable to follow the trend of international regional development planning.

- iv. The relevance of existing regional planning mechanisms to overcome the present problem and the need for a new machinery for regional development planning. This is very true in terms of the application of the concept of regions as well as the formation of regional development authorities. From the latest pattern of inequality, the 4 regions of the Fourth Malaysia Plan seem to be less inappropriate now, and if the state is considered as the planning region, within each state itself there might be sub- regions. So perhaps it is time to review the role of the districts in regional development planning. This in fact has long been advocated by researchers like Ahmad Suhaimi (1992) and Zainul Bahrin (1988).
- v. Is the growth pole strategy still relevant despite its lack of success and more important perhaps in lieu of the new spatial pattern emerging as a result of globalisation?

The answers to the above questions would set the direction for future regional policies and planning in the country. Malaysia has gone through a long and moderately successful evolution of regional planning. It is important that a compromise should be taken in making the choice to the above dilemma so that to ensure the nation experience growth which is a prerequisite to redistribution and at the same time redistribution takes place in order to decrease the inequality gap. Similarly, both the rural and urban dimensions of the regional problem would have to be given due attention, while urban growth would be a catalyst to growth the rural areas should be developed so that they would be prepared to receive the trickling effects of growth from the urban centres and that no or minimal leakages occur. Finally, while the international dimension of regional planning is important so as to establish regional cooperation, in terms of achieving a national balanced region, national regional planning; both inter-and intra regional planning would be of greater benefit.

It is rather obvious that regional development planning would continue to be the major strategy to overcome the inequality problem. On the above grounds several policy recommendations can be suggested including :

- i. To continue pursue a growth with equity approach to regional development with, strategies mainly to enhance target areas for further growth; In order to avoid the mistakes of the broad paint-brush approach of the earlier regional development efforts, more and proper attention should be given in the identification of “regions” and the strategy to be implemented.
- ii. To have a balanced policy in relation to both urban and rural development and formulate different strategies for rural and urban districts/regions so that they benefit from each others growth. The emergence of the mega- urban regions, would, inevitably require special attention to be given to them since the set of regional problems would be specific. On the other hand, the depressed rural regions should not be neglected since the inequality gap between these regions with the developed regions of the country is very obvious.
- iii. To have specific urban as well as rural regional policies to overcome intra-urban and intra-rural problems. In relation to the above, intra-rural and intra urban problems are more obvious now and special attention should be given to intra-regional planning as opposed to the stress of inter-regional planning.
- iv. To stress on metropolitan regional planning in view of the changing nature of regional problems.
- v. To revive the stress and focus on national regional planning instead of the international dimension of regional development.
- vi. To formulate a comprehensive regional policy covering major regional dimensions in a systematic rather than on an ad hoc manner.
- vii. To review and perhaps revise the present regional planning machinery. Most important perhaps is the concept of the “region” in regional planning. If the concept of region is as

advocated in the Fourth Malaysia Plan, then a new sets of region based on a more dynamic and comprehensive process of rationalization has to be introduced. On the other hand, if the state is to be considered as the region in regional planning, then it is important that sub-regions consisting of one or more than one districts within a state be formed (Figure 8.2). In terms of the institutional framework for regional planning, the existing framework perhaps is no more relevant, especially in terms of the definition of functions between the federal and state level and also between the various implementing agencies and authorities. There should also be efforts towards enhancing the role of the district in the planning process and thus the overall district-state-federal relationship should be reviewed. Perhaps the Ministry of Regional Development Planning should be reinstated parallel to the importance of regional development issues as well as the need to streamline the role and functions of the various planning machinery.

The above recommendations were made based on the importance of the issue of balanced development as well as the eagerness of overcoming the regional problems especially regional inequality for economic, social, political as well as security reasons.