

MEDIA STATEMENT

IDEAS launches '50 Years of New Economic Policy' to assess impact and shortcomings of policy

Kuala Lumpur, 22 November 2021 - The Institute for Democracy and Economic Affairs (IDEAS) embarked on a research and advocacy project on Malaysia's New Economic Policy (NEP), with the aim to revisit and reexamine the successes and shortcomings of the policy, as well as its implementation in subsequent development plans. Launched in conjunction with the 50th anniversary of the NEP this year, IDEAS hopes the project will facilitate discussions to assess the policy's relevance to Malaysia's current development needs 50 years on, as well as delve into the difficult questions of Bumiputera identity and social cohesion. As part of the project, IDEAS commissioned three policy papers that will be launched during webinars to be held this week.

The first paper, 'The New Economic Policy beyond 50: Assessing its strengths and weaknesses to chart a cohesive Malaysian Society', was authored by Dr. Lee Hwok-Aun. In his paper, Dr Lee challenges us to reconsider common misconceptions surrounding the NEP in order to avoid another 50 years of polarised debates. He urges us instead to focus on the NEP's underlying principles and enduring objectives, and reflect on the shortcomings of the policy over the past few years.

He goes on to propose a way forward that builds on the NEPs two prongs and emphasises the need to not terminate these policies, but enhance them instead. IDEAS hopes, through this paper, to steer the discussion on the NEP into one that is more meaningful and constructive.

The second paper, '50 Years of the New Economic Policy: Revisiting It's Impact on Social Cohesion, National Unity and Creation of Bangsa Malaysia' was authored by Emeritus Professor Dato' Dr. Abdul Rahman Embong. This paper examines the context in which the NEP emerged and how its overriding objective was very much linked to the national question, namely the building of a united and cohesive 'Bangsa Malaysia' or Malaysian nation. He highlights how the notion of Bangsa Malaysia has been primarily defined by our leaders or those with authority.

Concurrently, Dr. Abdul Rahman emphasises how the intricacies surrounding the idea of nationhood is influenced by how people interpret their histories and experiences of being together, their interpretations (real or not) of the treatment meted out by the state, and finally how people of various ethnic groups rally in solidarity to support each other, especially in times of adversity, or conversely ignore those in need of empathy and solace.

IDEAS' third paper, 'The New Economic Policy and the Identity question of Indigenous People in Peninsular Malaysia, Sabah & Sarawak', was authored by Professor Wan Zawawi Ibrahim. Professor Zawawi's paper is a review of how the NEP, a policy set up exclusively to eliminate poverty within the Bumiputeras, had ultimately divided this 'socially constructed' identity into two - a dominant ethnies (of Peninsular Malays) and a non dominant ethnies of non Malays and the Bumiputera minorities ranging from the Orang Asli to the Dayaks of Sarawak and the Kadazandusun and Murut of Sabah.

Ultimately, contrary to the original spirit of the NEP in promoting national unity, the Bumiputera identity that developed from the policy is one fraught with its own ambiguities and contradictions. Through his paper, Prof Zawawi provides rich empirical evidence to unpack the unintended consequences of the NEP which has generated its own 'class gaps' in both the dominant Malay Bumiputera and the non-dominant non-Malay Bumiputera populations.

Through these policy papers, IDEAS hopes that a more empathetic and evidence-based discussion on the New Economic Policy and its implications over the last 50 years can take place, in order to chart a more cohesive Malaysia for generations to come.

Those interested in participating in our discussion can register for the respective events through the links below:

- 'The New Economic Policy beyond 50: Assessing its strengths and weaknesses to chart a cohesive society' webinar to be held on **November 24, 2021** - register [here](#).
- 'Fifty Years of the New Economic Policy: The Challenge of Social Cohesion, National Unity and Bangsa Malaysia' webinar to be held on **November 25, 2021** - register [here](#).
- 'The New Economic Policy and The Identity Question of Indigenous People in Peninsular Malaysia, Sabah & Sarawak' webinar to be held on **November 26, 2021** - register [here](#).

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About IDEAS

The Institute for Democracy and Economic Affairs (IDEAS) is a nonprofit research institute, dedicated to promoting solutions to public policy challenges, focussing on three overarching missions – advancing a competitive economy, ensuring trust in institutions and promoting an inclusive Malaysia. IDEAS is Malaysia's first independent think tank, free of personal interests and partisan influences. For more information, visit www.ideas.org.my.

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