The Politics of Policy for Poverty Reduction: Comparing Malaysia with Kenya

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Introduction

While sustained economic growth is necessary for national development, it is neither an imperative nor an adequate condition for the latter. It is possible for an unplanned exogenous event to generate substantial national economic growth: domestic exporters can benefit from an expanded market due to adversities in competitor economies. Conversely, (economic) development requires conscious policies leading to the planning of an integrated set of initiatives that enable a delicate, sustained balance among diverse variables, including the capacity to internalize (economic) adversity. A country might be argued to have attained such sustainability when it achieves its ‘turning point’, which Tracking Development contends explains the different development trajectories of the four Sub-Saharan Africa (SSA) and Southeast Asian countries that have been the focus of its five-year research. A comparative review of trends in the economic growth data for Malaysia and Kenya since the early 1960s shows the former country to have performed much better than the latter in acquiring sustained economic growth that has enabled (economic) development. The objective of this chapter is to evaluate the role played by the politics of policy-making in these relative country outcomes. While strategies

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1 For example, Kenya’s 1976–1978 coffee boom arose when frost constrained Brazilian production.

2 The Tracking Development study has focused on the paired countries: Kenya/Malaysia; Nigeria/Indonesia; Tanzania/Vietnam; and Uganda/Cambodia. For details, see http://www.trackingdevelopment.net/home.html
for economic growth and development are well known, politics plays a critical role in determining which priorities enter policy documents and, importantly, which policies are actually implemented—because often, “policy is as policy does”.

Development is often assumed to be about reducing poverty by increasing opportunities that elevate the quality of life of a country's people. For colonies transitioning into independence, poverty reduction had been the preponderant rhetoric of the nationalist struggles. Since strategies for poverty reduction and welfare improvement are well known, could the failure of some independence governments in these endeavours be explained by their implicit or explicit desire NOT to succeed? This thesis can be tested by looking at the policy processes and the contexts in which policy outcomes have been implemented in such countries. Since politics is partisan, it is possible that policy prescriptions, outputs, and outcomes could be similarly partisan in ways that perpetuate selective poverty and poor welfare, thereby undermining initiatives against nationwide poverty. This thesis is given some credence by the divergent political influences on policy in Malaysia and Kenya from British colonialism into independence. The two countries’ experiences suggest that poverty reduction is not necessarily altruistic, but rather a matter of whether it is an imperative for the survival of the political class.

In the rest of this introduction, we outline the comparative development performances of the two countries since the early 1960s. The second section, ‘Reviewing policy-making frameworks’, reviews some constructs surrounding policy-making, moving from pertinent theory to a critique of the New Political Economy. The third section, ‘Policy-making in Malaysia and Kenya’, presents the salient historical issues and perspectives in policy-making in the two countries, while a comparative perspective of the same material is undertaken in the fourth section, ‘Comparison’. Some conclusions arising are presented in the final section.

Economic Growth and Development in Malaysia and Kenya

The distinction between economic growth and development is important from a human development perspective. Too often, commentary focuses on successful economic growth as if it invariably improves human welfare; yet, the very reverse could be true, in that economic growth can be attained at the expense of human welfare.³ Good policies are necessary

³ For instance, Kenya is already paying a heavy price because deforestation for agriculture and timber has undermined the sustainability of its water towers with devastating