

**STUDY TO IDENTIFY THE STATUS AND SOCIO-  
ECONOMIC DEVELOPMENTAL NEEDS OF KPG. PUSA,  
BETONG**



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## EXECUTIVE SUMMARY

Economic development is important and desirable because it represent the means to uplift the income and living standard of the people of a country. As far as possible, the fruits of economic development should be equally enjoyed by all spectra of society to avoid the occurrence of social and other undesirable problems. Nevertheless, the problem of inequality continues to exist in many countries, especially between the rural and urban population. This research project is conducted amongst others, to assess the socio-economic status of the residents of Kampong Pusa in Betong division of Sarawak and to determine the actions that can be taken by the government to up-lift their socio-economic status. The study found that the problem of poverty is relatively serious in the village with the average monthly income of households at only RM384.35. 86.70% of the households lived below the official poverty line income while a staggering 48.8% could be classified as hardcore poor with monthly incomes of less than RM300 a month. It was found that among the factors accounting for the poverty was the shortage of land for agricultural purpose, lack of capital to venture into businesses, lack of formal education and skills, lack of value-added economic opportunities and the high prevalence of single-parent households. The study also found that there was a high rate of rural-urban migration among the residents of Kampong Pusa, namely 51% of households had at least one family member migrating to the urban area. The strategies proposed to improve the socio-economic status of the residents of Kampung Pusa included promoting the creation of high value-added activities within the fishery and agriculture related sectors, alienating the surrounding lands to qualified households for agricultural purposes, initiating a system to formally assess and certify the skills possessed by the residents, creating opportunities for the utilisation of these skills and providing the requisite training and loans for the residents to involve themselves in businesses.

## CHAPTER 1

### BACKGROUND AND INTRODUCTION

#### 1.1 ECONOMIC DEVELOPMENT: CONCEPT AND GENERAL STRATEGIES

Economic development is an issue which had long been widely discussed among both policy makers and academicians. Generally, economic development refers to the process of improving the standard of living and quality of life of the population, whether from the social, economic, political and environmental aspects through the efficient allocation and use of resources. It may be concluded that everybody aspire for and work to achieve economic development. As far as possible, the fruits of economic development should be enjoyed equally by all spectra of society in the country. This is because developmental inequality may lead to problems such as political and social unrest as well as other political and social problems. Nevertheless, inequality as exemplified by the unequal distribution of income and wealth, continues to exist. Specifically, in almost every country in the world, wide disparity in income and wealth exist between the rural and urban population. The rural areas are usually left behind in the development process due to factors such as the geographical distance and the scattered rural population which made it difficult to bring development to the areas.

The rural population in Malaysia are generally involved in low productivity, traditional agricultural pursuits resulting in a large proportion of them living either at or below the official poverty line income. Because of this, rural development is usually associated with agricultural development with the main objective of eradication of poverty. The approach adopted by countries around the world to