

# Poor Economics of Desa Mentari

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Built along the New Pantai Express (NPE) freeway and camouflaged amongst the poorly maintained concrete jungles lies *Desa Mentari*. Its subtle presence and architectural design are nowhere near exceptional, given the majestic Lion Head of Sunway Pyramid located across the freeway. However, *Desa Mentari's* overall significance, economical contribution, and impact towards the Bandar Sunway township mustn't be taken lightly.

*Desa Mentari* is a low-cost housing project that was undertaken by the Mentari Group of Companies in the early 2000s in line with the Selangor State government to achieve the zero squatter status. Thirteen blocks of eighteen floors each, about 6,205 high-rise affordable units with 341 shops at ground level were built across Petaling Jaya South (PJS) 2, 5, 6, 8 & 10 on state alienated land. Each unit, about 650 sq. ft., is equipped with three bedrooms, one bathroom and one toilet with the rental ranging from 400 to 600 Ringgit Malaysia (RM).

Amongst other low-cost housing areas such as Desa Ria and Kampung Lindungan in P104's constituency, *Desa Mentari* was our primary focus for the annual welfare program conducted in June and spearheaded by the Kelana Jaya Member of Parliament – YB Wong Chen. The three-year-old program is established with a small sum of funds given to the office every year. While the ideology of “giving a man a fish” may not be a popular choice for long term solutions, the program serves more of the purpose of an aid, to temporarily support or assist, rather than aiming to significantly improve the financial state of the hardcore poor. Throughout Welfare Month, we have received an overwhelming response from nearly 800 applicants, in which more than 400 of them currently stay in *Desa Mentari*. Interviews and series of screenings were carried out by the officers and interns in hopes to eliminate any attempted fraudulences and to relocate the funds back to the *true* poor. This also further determines the applicants' eligibility status and their financial backgrounds.

Interestingly, most of them do not fall under any of the ‘poor’ categories as defined by Dato' Sri Idris Jala, CEO of PEMANDU and former Minister in Prime Minister's Department. In his definition and measurements, there are two categories of poorness: extreme poverty and poor. *Extreme poverty* refers to the households that fail to earn enough for basic survival needs such as food, clothing and shelter. Typically, such households earn an average monthly income of less than RM460 in Peninsular Malaysia. On the other hand, *poor* refers to households that fall short of certain standards of consumption, which are deemed necessary to maintain ‘decency’ in the society. Typically, such households earn an average monthly income of less than RM710. This

raises serious concerns over the definitions and measuring standards of one's living condition across different urban areas. As a less-developed urban poor area with a population size of at least 15,000 residents, Desa Mentari struggles to keep up with the rapid development and urbanization. With skyrocketing living standards, inflations and the ever-weakening Ringgit, Desa Mentari residents are extremely vulnerable towards any sorts of financial crises, be it regionally or globally.

It is fascinating how Desa Mentari is placed in an extremely strategic geographical location, yet it fails to strive like the rest of the Bandar Sunway township.

Is it because of the overall mentality and lifestyle of the Desa Mentari population and the limited access to credit and capital markets? Or is it because of the stereotypical judgment towards poorly maintained housing areas?

Perhaps all of above.

It is the perfect case study on the urban poor and why certain urban areas fail to keep up. Besides that, one of the many other reasons is due to the poverty trap, where one is unlikely to escape from poverty. The author of *The End of Poverty*, Jeffrey Sachs, detailed that, "The poor start with a very low level of capital per person, and then find themselves trapped in poverty because the ratio of capital per person actually falls from generation to generation. The amount of capital per person declines when the population is growing faster than capital is being accumulated ... The question for growth in per capita income is whether the net capital accumulation is large enough to keep up with population growth."

So, does this 'poverty trap' discussed by Sachs actually exist in Desa Mentari, regardless of what the definitions of poverty are? If it does, what is the cause?

It is known to all that poverty tie close links with employment, education, and health. Through scrutiny and observation, the majority of the Desa Mentari residents actually do have some sort of employment. However, many of them are denied access towards better jobs with greater pay and benefits due to the lack of skills and education qualifications. With meeting only limited to almost none of those criteria, many of them are often left with no choice but to settle for low pay and less skillful jobs to make ends meet. Undoubtedly, education does play a vital role in employment in today's world. In comparison, however, even fresh graduates face difficulties in seeking jobs in Malaysia, what more about them?

Interestingly, even though the older generations may not be well-educated, they do realize and understand the importance of education in escaping the poverty trap and achieving financial freedom. In other words, to them, education is more than knowledge—it represents social mobility. Hence, in most of the cases, children are most likely sent to school and receive some kind of education. Some may even have the opportunity to pursue tertiary education at local universities and colleges with the help of the '*Perbadanan Tabung Pendidikan Tinggi Nasional*' (PTPTN) loan. While formal education in Malaysia is free, parents still pay miscellaneous fees such as textbooks, uniforms, tuition and transportation fees. This may be too much for some of the families' already overwhelmed in financial burden. This is precisely why some of the young children and teenagers living in Desa Mentari drop out of school to seek for jobs to alleviate their family's financial

burden. Understandably, one has got to utilize all available resources to increase their social and financial survivability. But what happens if the prioritizations have been placed wrongly?

This is where the 'poverty trap' begins for some of Desa Mentari residents.

It is no doubt that the hardcore poor are living off welfare aid and wages below the minimum pay, but many still find themselves stuck in this endless cycle of poverty. Almost nobody will be able to survive through this money-driven society with little to no money. Hence, the random sampling method was used throughout interviews to approach and verify some of the supposed causes of the poverty trap in Desa Mentari. The findings were intriguing. We discovered that the people's overall mindset and sense of prioritization on their needs and wants are the main contributors towards their current state. For example, some ethnicities may spend their leftover money on unnecessary items or events, such as cigarettes, alcohols, or even gambling. To them, it is a much needed relief from stress. Furthermore, many families are relying on some sorts of entertainment such as Astro as their primary source of leisure after getting through their day-to-day mundane labor or non-labor work. The alleged laidback mentality mainly originates from their religious beliefs, in which they believe that one's destiny has been determined since birth. Hence, many are reluctant to actively seek for jobs and 'challenge' their destiny, hence only relying on any forms of help from churches and public donations.

What is worth noticing is also the health problems of the Desa Mentari population. More than 33% of the applicants fall under the 'Medical' category. It is evident that Desa Mentari already has a lot more on their hands than just poverty, and this has led them towards a bigger problem.

With an unimaginable low wage, it is already extremely difficult for one to purchase any food, let alone healthy nutritious food. The United Nations FAO agency estimates that nearly a billion people across the globe are undernourished, partly due to how nutritious food is statistically much more expensive than the mass produced canned food. Even then, average food prices are steeply increasing following mild inflations across Malaysia. Inevitably, this affects the entire Desa Mentari population's health condition. Many of them are diagnosed with high blood pressure, high cholesterol level, diabetics, heart problems and other chronic diseases. Suddenly, they find themselves with more bills to pay. Even worse, some of them may need to have urgent surgeries. Sitting near bottom of the socioeconomic ladder, neither do they have the money for health insurance nor do they any savings to pay off the medical bills. Some of them took the extreme path and borrowed from loan sharks at an incredibly high interest rate. Burdened with bills and debt, this eventually lands the people into health-based poverty traps.

Poverty is hunger. Poverty is scarcity. Poverty is feeling sick yet not being able to see a doctor. Poverty is not being able to receive any kind of education; not knowing how to read or write, and not knowing how to communicate in a proper way. Poverty is not being able to work, to sustain a family, and to live one day at a time. Poverty is powerlessness yet those who suffer from poverty walk amongst us.