

## **THE ISSUE OF DIGITAL DIVIDE IN MALAYSIA: FOCUS ON INNER CITY DIVIDE IN LEMBAH PANTAI, KUALA LUMPUR**

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### **Introduction**

**A**s we enter the Information Age and prepare for transition into the New k-Economy, the national emphasis is increasingly placed on development and usage of Information and Communication Technology (ICT). In the recent budget 2001 announcement, further incentives are given to promote PC (personal computer) ownership and Internet access among citizens of the country (*Computimes*, Oct 30, 2000). However, in spite of the incentives, not every home or family can financially afford to own a PC and pay the monthly Internet access charges plus all the attendant costs related to PC ownership and Internet access.

The common perception about the Digital Divide phenomenon is the disparity in terms of access to ICT between the urban and rural areas. Hence, numerous programmes and projects, such as the Rural Internet Centres, the Gerakan Desa Wawasan and the proposed Desa Digital, were initiated and implemented to bring ICT to the villages or kampungs. However, there are still pockets of inner city areas and groups that are excluded from the digital or Internet revolution. Thus, to mitigate this issue of inner city digital divide, the proposed research aims: a) to produce an Inner City Digital Inclusion Model to be replicated nationwide; b) to provide hands-on experience and training to disadvantaged individuals and groups so as to include them into the new knowledge-driven economy and society; c) to empower inner city communities to participate actively in decision-making processes at the local level via access to ICT.

#### Statement of the Problem

“No effort can be spared in the creation of an information rich society”  
(Mahathir Mohamed, *The Way Forward*, 28 Feb 1991)

“For the Information Age and the K-economy, we must have a first-rate National Media System. The Internet and other IT innovations must be a large and critical part of this national media system. .... This country must most seriously enhance the production and supply of information, knowledge and wisdom and assure their accessibility to all our people in every area of work. .... The private and public sector will need to operate to new rules of transparency, new regulations for disclosure, new processes of corporate and public sector governance.” (Mahathir Mohamed, *Transcending the Divide*, 8 March 2000).

Vision 2020 recognised the transition from agricultural to industrial to knowledge as the foundation of power and wealth: “There was a time when land was the most fundamental basis of prosperity and wealth. Then came the second wave, the age of industrialisation. Smokestacks rose where fields were once cultivated. Now, increasingly knowledge will not only be the basis of power but also prosperity.” (Mahathir Mohamad, 2000, 5)

If Vision 2020 was the first step into the Information Age, the second step is known as “Strategic Initiative One” of the 21<sup>st</sup> century. In the Budget 2000 presentation in October 1999, the government categorically emphasised that it was necessary to ensure a paradigm shift: “a fundamental move from the production-driven economy to the knowledge-driven economy. A fundamental shift from the P-economy to the K-economy.” In connection to that, the process of drafting the K-Economy Master Plan – a “process of national consultation, brainstorming, drafting and national mobilization” (Mahathir Mohamad, 2000: 6) was started and scheduled for completion by the third quarter of 2001.

Vision 2020, which was enunciated in 1991, set the goal of becoming a fully developed nation by 2020 and Strategic Initiative One, which was to be completed in 2001, prescribed the strategy for transformation into the K-economy. However, becoming a fully developed nation and transforming into a knowledge-based economy will not automatically solve enduring issues, such as structural inequalities and poverty, within the society. As Manuel Castell’s (1998) work on the ‘fourth world’ demonstrates, there exist a conceptual and empirical space, even in developed nations like the US, which is characterised by extreme forms of social inequality and immiseration parallel to the growth of consumer culture and affluent consumption.

The proposed project, therefore, attempts to employ a participatory research approach in producing a viable Inner City Digital Inclusion Model as a contribution from the academy to mitigate the issue of inner city digital divide nationwide. The design of the model will be grounded on the National IT Agenda (NITA, 1996) which essentially leverages on trisectoral partnership between the public, private and community interest sectors. The focus on marginalised segments of the inner city community is consonant with the Universal Service Provision (USP), a system to promote the widespread availability and usage of network and/or applications and services throughout Malaysia (Act 588, 94).

## **Objectives of the Project**

### **Specific objective of the project**

Immediate objectives:

- a. To conduct a more in-depth study of the digital divide between race, class, gender, age, etc., in selected communities at Lembah Pantai so as to provide a more qualitative data than the base line data on access and equity produced by the NITC;
- b. To set up a portal on inner city divide in Kuala Lumpur;
- c. To assist in the development of web site content for the selected communities;
- d. To ‘jumpstart’ “training for trainers” programmes and activities in the selected communities via the promotion of ICT literacy and skills development to optimise the potential of “champions” among the underserved areas and groups;

- e. To identify ICT policies, strategies, programmes and initiatives on universal service provision of ICT to 'underserved' areas and groups;
- f. To tap on the expertise and experience of other developed and developing countries with regards to ICT policies, strategies, programmes and initiatives;

Long-term objective:

- a. To produce a viable model to be replicated at other 'underserved' inner-city communities nationwide and worldwide;
- b. To promote a sustainable and on-going ICT programme for the underserved inner-city areas and groups so as to ensure a more equitable and balanced development.

Methodology

- a. A preliminary survey using stratified systematic random sampling to yield base-line data, such as the community's conception of universal access to ICT, their motivations for gaining access and their perceptions of its potential;
- b. In-depth interviews to explore the strategic issues involved in establishing a sustainable facility to provide access and insights into the key aspects such as partnership, management and ownership;
- c. Participatory research approach that constitutes continuous dialogue and discussion among research participants in all stages of the research project, namely collective definition and investigation of the problem, collective analysis of the underlying causes and collective action to solve the problem via a community technology access centre, that will support and nurture local champions, provide "training the trainers" modules and offer a shared experience in developing content for the community web site;
- d. Impact evaluation of the project 'input' and 'output' to enable the formulation of a viable Inner City Digital Inclusion Model.

### *Review of the Literature*

In the United States, closing the digital divide is seen as an essential part of Bill Clinton's *New Markets Initiative*, which "seeks to bring America's prosperity to economically-underserved areas" (<http://www.ntia.doc.gov/ntiahome/digitaldivide/summit>). ClickStart, the Clinton administration's proposed \$50 million programme to subsidise computers and Internet access to 9 million low-income families, was launched on January 21 2000 (<http://home.cnet.com/category/0-1005-200-1540155.html>; <http://www.SalonNews/Opportunityclicks.html>). Since 1998, Silicon Alley CEOs in New York City have also pooled their resources – whether time, money or stock – "to attack the divide where it breeds: in inner-city communities and schools" (<http://www.intellectualcapital.com/issues/issue353/item8693.asp>). Alley companies have created several nonprofit groups to match time and financial donations with schools that require the support. One such effort is MOUSE (Making Opportunities for Upgrading Schools and Education), established in 1997 by a New York nightclub impresario.

Meanwhile, in the United Kingdoms, the Social Exclusion Unit's Policy Action Team on 'Access to IT' (Pat15) is one of 18 Policy Action Teams set up by Tony Blair to advise him on how best to help people living in deprived urban areas ([http://www.pat15.org.uk/pdfs/pat\\_sum.pdf](http://www.pat15.org.uk/pdfs/pat_sum.pdf)). The programme, which was carried out by the Community Development Foundation (CDF), was funded by the Department for Trade

and Industry (DTI) which provided the secretariat. Seven localities were selected and four main activities, namely an 'ICT Awareness Day', discussion groups and questionnaire survey, in-depth seminar and a written report, were designed for the programme ([http://www.pat15.org.uk/pdfs/pat\\_sum.pdf](http://www.pat15.org.uk/pdfs/pat_sum.pdf)). The main findings from the PAT15 local projects were:

- a. Structured opportunities for awareness and familiarisation, in appropriate settings, are a highly effective way of introducing ICTs to people in low-income neighbourhoods;
- b. Community provision of ICTs offers different and complementary benefits to home access, which are quickly recognised by people whose way of life includes social networks based around community buildings;
- c. The main reason why people do not own computers is that they are perceived as too expensive to buy or run;
- d. The importance of recognising the diversity of applications, interests and motivations;
- e. Local champions, who help stimulate interest and activity, will often emerge when an occasion is provided for them;
- f. The main barrier inhibiting the engagement of people in low-income neighbourhoods with ICTs is *confidence* (Harris, 2000).

In Malaysia, more emphasis is given to bridging the urban-rural divide than the inner city divide. Most of the programmes initiated by the government ministries, agencies and departments, such as the Rural Internet Centres by the Ministry of Energy, Communications and Multimedia, the *Gerakan Desa Wawasan* by the Ministry of Rural Development and the proposed *Desa Digital* by MIMOS BHD, are aimed at the rural areas and communities. The approach to some of these programmes also tends to be top-down and mechanical rather than bottom-up and organic. Thus, equal emphasis should also be given to close the technology gap between groups in the urban areas via grassroots, participatory ICT initiatives.

In regard to equitable access to ICT in Malaysia, the base line data demonstrate the disparities between geographical areas/regions as well as income and race/ethnic groups, gender and language usage (NITC Secretariat, 2000; <http://www.nitc.org.my>).

Although Selangor and Kuala Lumpur record the highest PC penetration rate and Internet access, accounting for more than 50 percent of the total national statistics in terms of computer density and Internet service, this does not necessarily translate into equal access to all groups in those areas. It is reported that approximately 60 percent of urban households (compared to 83 percent of rural households) may face financial constraints to purchase PCs. This means that more than half of urban homes can be considered "marginalised", comparable to the 25 percent of Sabah and 20 percent of Sarawak rural households that have no access to electrical supply. Although there are no actual data on the divide according to class, race and gender, including the inner city areas, more than 70 percent non-English readership will be "excluded" from the current web content which is estimated to be 90 percent in English (<http://www.nitc.org.my>).

As for benchmarking for progress, Malaysia's PC acceptance rate of 11.3 percent of the basic population is significantly lower than the 35 percent world average (IDC, 2000). Malaysia's Internet penetration rate of 7 percent, with total Internet users at 2.0 million and total Internet subscribers at 700,000, is still lagging behind the 20 percent average rate of Internet usage worldwide (IDC, 2000). In order to enhance national

technology access and international competitive advantage in the new digital economy, the existing ICT programmes for the underserved areas and groups, including the inner city localities, need to be augmented and reinforced. This is because competitiveness depends on the skills and creativity of the whole workforce as well as active participation in the decision-making process at the local level. To that end, an in-depth study in a deprived neighbourhood that will enable the development of an Inner City Digital Inclusion Model which can be replicated nationwide is imperative.

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