

# Malaysian mixed economy essay sample

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Malaysia is a nation of tremendous ethnic diversity. The multicultural nature of the population—often described as rojak (a spicy mixed salad)—goes back a long way, to the earliest habitation of the Peninsula. Since then, there have been continuous waves of immigrants from virtually all directions. Over time, increasing inter-ethnic contacts and influences have resulted in a polyglot nation of ethnicities, religions, cultures and traditions. This volume introduces the various ethnic groups that call Malaysia home—described by anthropologists, historians and other specialists—and captures the essence of the traditions and cultural manifestations of these communities.

As a mixed economy, Malaysia has elements of a free market economy but with government direction. The most influential economic policy to date has been the New Economic Policy, introduced by the government in 1971 to reduce ethnic imbalances, eliminate poverty and improve the economic status of the Bumiputera.

In the 1980s, Malaysia sought to emulate the economic success of Japan and other East Asian countries. To this end, the Look East Policy was adopted to replicate in Malaysia the work ethic of these successful economies. This policy was followed by the Malaysia Incorporated concept which stressed the importance of cooperation between the public and private sectors in order to ensure rapid economic growth and national development. To complement these policies, the government launched the Privatization Policy in 1983.

Privatization was intended to facilitate economic growth, relieve the financial and administrative burden of the government, reduce the government's presence in the economy, decrease public spending and allow market forces

to govern economic activities and improve efficiency. The policy was also integral to the government's strategy of realizing active participation by Bumiputera in the corporate sector.

In 1991, the aim of Vision 2020, namely, to achieve developed nation status by that year, was announced. The framework for this was laid out in the National Development and National Vision Policies.

In 2002, the government launched the K-economy Master Plan. The master plan articulated the means of developing a knowledge-based economy to advance the country's economic growth.