Leaving No One Behind: Risk Assessment of the Indian Displaced Community in Malaysia

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Abstract: *Tracking the socioeconomic risk of displacement is crucial for policymakers to design better intervention programmes and plan future resettlement interventions. Yet such efforts are lacking, leaving the displaced community behind. This paper assesses the socioeconomic risk of displaced Indian plantation households in Malaysia to provide key evidence for the government to achieve its goals of shared prosperity and inclusive development in two areas of risk: joblessness and marginalisation. This study uses a mixed method, combining a questionnaire survey with selective interviews. The results show that socioeconomic risks are crucial for the displaced community, especially in terms of employment, the ability to earn a decent income and financial stability. The lack of occupational mobility, lack of appreciation of work experience, skills bias, gender discrimination and limited intergenerational mobility contribute to marginalisation. The study suggests implications for intervention policy design to effectively address socioeconomic risk.*

Keywords: Development induced displacement; Indian displaced community; Intergenerational mobility; Socioeconomic conditions; Marginalisation
JEL Classification: J62, J78, I30

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1.   Introduction

Development-induced displacement (DID), primarily due to urban development, is often overlooked in comparison to other types of displacement, such as that which arises from natural disaster or conflict and has more profound consequences. A major reason for the lack of research attention is the assumption that DID projects are well planned, unlike sudden disaster- or conflict-related displacement. DID is commonly thought of as forced relocation due to development projects (Stanley, 2004; Satiroglu & Choi, 2015; Szmytkowska, 2022; Sikka & Carol, 2022). In many cases, during resettlement, the displaced community faces the challenge of adapting to the new and unfamiliar environment, which affects their socioeconomic well-being (Selvi & Katimah, 2012; Tan, 2020; Cernea & Maldonado, 2018).

Cernea (2021) argues that a risk and reconstruction assessment prior to any resettlement is crucial to predict risk and adopt a more proactive intervention programme to minimise the negative consequences or unnecessary risks of impoverishment. However, in many developing countries, including Malaysia, such risk assessments are largely absent. In Malaysia, despite the occurrences of large-scale displacement, the problems associated with DID are rarely discussed, which limits policymakers' understanding of its consequences. More importantly, the planning process never assesses post-resettlement consequences to ensure adequate improvements for the displaced community. Indeed, the lack of proactive policies can lead to the exclusion of these communities from the mainstream. Nevertheless, more empirical evidence is needed to convince planners and policymakers to commit to well-planned resettlement and, more importantly, to ensure responsible planning with organised resettlement action.

Due to the impact of the Covid-19 pandemic on vulnerable groups, for the first time, the government specifically targeted the socioeconomic development of minority communities in the Twelfth Malaysia Plan. This includes the Indian community, which currently accounts for 7% of the population. One of the proposed strategies to improve the socioeconomic status of the low-income Indian community is by providing access to quality education, reducing the school dropout rate, enabling the pursuit of higher skills, creating jobs and entrepreneurship opportunities, and providing support services to vulnerable families (EPU, 2021). While the proposed initiatives are important, we note that they will be difficult to implement

without targeted community outreach and better evidence supported by data.

Based on our evidence and data, we argue that the Indian plantation displaced community should be one of the government's target communities. Indeed, policymakers determine appropriate strategies for displaced communities (Wilmsen & Webber, 2015; Suhardiman, 2022). We provide sufficient evidence to underscore the need for inclusion and shared prosperity for the Indian displaced community. We also argue that the problems of the displaced community can only be successfully addressed if we gain a comprehensive understanding of their challenges. We offer such insights so that policymakers can design effective intervention programmes for the community and draw lessons for future displacement and resettlement projects. Given the above gaps and motivation, our study seeks to examine the status of the socioeconomic progress and resettlement risk of a community displaced by the construction of Putrajaya in 1995. The aim is to provide greater insight into answering some fundamental questions that are missing from the current policy debate. This paper aims to assess the socioeconomic risk in the form of joblessness and marginalisation.

This paper contributes in the following ways. The assessment is the first large-scale survey involving almost the entire population of a given locality to provide socioeconomic risk perspective to policymakers. This risk assessment is crucial, as there is as yet no strong empirical evidence to motivate policymakers to design a robust intervention programme. Although few studies are available (Narayanan & Rostam, 2017; González et al., 2023), these studies are not holistic enough to capture the critical risk. The lack of data also limits the ability of non-governmental organisations and other stakeholders to build consensus to convince policymakers, urban planners, and the government to allocate budgetary resources and target the community (Bacq et al., 2022). Cernea (2021) argues that more needs to be known about displacement and resettlement. Our work contributes to this by quantifying risk outcomes and understanding the behavioural responses of the displaced community. This broadly validates and tests the risk and reconstruction (R&R) model. Our aim is to make a factual assessment of the socioeconomic conditions of the displaced community by decomposing the various aspects of their socioeconomic conditions. For the government to design a better DID framework, a deeper understanding of the causes and consequences is needed. Similarly, lessons can also be learned from the risk assessment of the displaced population, which has been poorly handled in

the past due to lack of proper guidelines. Given the gaps in current literature and policy on socioeconomic risk and community well-being, better empirical research is needed, which is why the present study captures the community's perception of risk.

The remainder of the paper is organised as follows. Section 2 reviews the literature and provides the analytical framework. Section 3 discusses the methodology, section 4 presents the results, and Section 5 concludes the study.

2.   Literature Review

To understand the state and nature of socioeconomic risks, we first examine various concepts such as displacement, DID, risk factors and models. Displacement refers to any household that is forced to leave their residence, possibly due to a natural disaster, conflict, war, gentrification or development (Gates et al., 1981). DID assumes that vulnerable communities are further impoverished due to land acquisition that forces communities to evacuate (Ravindran & Kumar, 2019; Arun & Gori, 2023). Evidence suggests that DID usually leads to loss of property, unemployment, debt accumulation, hunger, and cultural disintegration (Jawando & Samuel, 2020).

Similarly, the concept of development also involves how a society progresses and escapes poverty. When an area is identified for development, the displaced community should ideally have access to fair compensation, not only in financial terms, but also in the form of socioeconomic opportunities, such as decent living conditions or stable jobs. However, empirical studies show contradictory and inconsistent results (Cao et al., 2012; Stevenson et al., 2013; Islam & Khan, 2020). On the one hand, Arun and Gori (2023) point out that displacement worsens socioeconomic conditions. The displaced suffer from the loss of farmland, houses, and other possessions, but more importantly from the loss of their jobs, which can reduce their income and opportunities for re-employment (Wang et al., 2013). Terminski (2013) concludes that DID has negative social consequences, especially in countries with low employment flexibility and a strongly entrenched system of social stratification. On the other hand, studies also point to the positive socioeconomic impacts of displacement (Randell, 2016). In the case of the Three Gorges Project in China, for example, the resettlement process had positive impacts on maintaining and increasing the

income levels of the resettled community (Huang et al., 2022). In another study on China's Mekong Basin, resettled communities showed higher income and land ownership than non-resettled communities (Galipeau et al., 2013).

Theoretically and in the context of DID, Scudder and Colson (1982) emphasise that the DID process consists of four phases: recruitment, transition, potential development, and inclusion. The model explains the process resettlers go through in each phase, with the transition phase being the most stressful. An analytical review found that this model focuses on the transition process and does not really capture the economic and social impact of resettling. Cernea (1997) made a pioneering contribution with the development of the R&R. This model provides a conceptual tool for identifying the intrinsic risks that cause impoverishment due to displacement. This model emphasises on the three important elements, namely, capturing essential economic and social problems of the displaced, identifying essential factors to prevent and overcome the problems, and ways to initiate social processes to solve the problems. Cernea (1997) points to several dangers that cause displaced populations to slip further into poverty—impoverishment among them, which exposes the displaced to the risks of landlessness, joblessness, homelessness, marginalisation, food insecurity, loss of access to common property resources, increased morbidity and mortality, and community disengagement.

Our analytical framework (Table 1) is inspired by the R&R model. Nevertheless, we have localised the framework to consider the key dimensions that are critical to community socioeconomic progress, rather than strictly using the eight dimensions of displacement risk. This is done for two reasons. First, displacement can have different impacts depending on local conditions and locations (Cernea, 1997) and because people may perceive risk differently (Vanclay, 2017). The second reason is that the community has already lived nearby for almost 20 years, which forces us to be selective. In other words, since the community has already had experience with the quality of resettlement, it is crucial to understand the risk and responses within the selected dimensions. As Oliver-Smith (1991) argued, interaction with the immediate environment influences how people perceive risk. The selected dimensions were pre-determined based on our preliminary interviews. Moreover, we did not use the model as a tool to predict the risk before displacement, but to assess the reality after displacement. This

allows policymakers to establish better intervention programmes to help the neglected community. As argued by Cernea (2021), we have used the model for problem solving and as a research application to provide more empirical evidence and increase our knowledge on displacement and resettlement. We believe that the model should not only serve as an early warning for policymakers to minimise the risk through appropriate preventive measures, but also to assess the actual complexity of that risk. Importantly, the dynamics of such a risk cannot be assessed with certainty before resettlement. Table 1 shows the most important risk factors and the operationalisation of key variables to capture socioeconomic risks.

Table 1: Analytical Framework, Socioeconomic Risk Assessment Dimensions

Dimensions	Key variables	Operationalisation
Joblessness	Ability to generate adequate income Financial stability Employment types and mobility	Job opportunities and employment structure as well as financial situation
Marginalisation	Employment opportunities Intergenerational mobility Skill and competence trap Experience trap Education	Marginalisation is operationalised as a condition when the community is disadvantaged in achieving its economic and financial position and slips down in terms of mobility. Also, the usefulness of skills and education in the current location

3.   Research Methodology

3.2   *Data sources*

3.2.1 Study area and sample size

Putrajaya once consisted of a few rubber estates, namely Prang Besar Estate, Estate Galloway, Estate Sedgeley and Estate Madingley. With the development of the administrative capital, all the families from these estates were relocated to Taman Permata, where 400 households live. Our target was 400 households, but we found that 111 households had moved out of Taman Permata, leaving the current population at 289 households. Of these, only 141 responded to our questionnaire survey.

Although questionnaires were the main data collection tool, in-depth interviews were used to explore why certain events occurred, supported by

household narratives. The in-depth interviews allow for a comprehensive understanding of the respondents' living conditions and experiences and are intended to provide a detailed insight into their perspectives. They also allow researchers to understand the dynamics of risk factors for displacement and resettlement. A total of 52 in-depth interviews were conducted with household heads to substantiate the questionnaire survey. Each interview typically lasted between 35 and 45 minutes, and all interviews were carefully recorded. The recorded interviews were thoroughly decoded, and the responses were categorised according to specific themes (e.g., income, security and living conditions). This allows for a clearer representation of their circumstances and provides solid evidence to support the findings obtained from the quantitative data.

The survey and interview were conducted from November 24, 2018, to January 29, 2019. Ten enumerators were trained to administer the questionnaire and conduct the interviews. A limitation of the study is the small sample size of 141 household heads, which may limit the ability to fully represent the diverse perspectives of all displaced communities in different contexts. Larger and more diverse samples would further strengthen the findings and provide a more robust analysis of the socioeconomic risks faced by displaced communities. Nevertheless, it is important to note that displacement issues are context and place specific, and, in some cases, generalisation is not possible. Therefore, the focus of the study is not on representation, but rather on context and place-specific socioeconomic risk.

3.2.2 Survey questionnaire and analysis

This study uses a mixed methodology that includes a quantitative survey and in-depth interviews. We used interviewer-administered questionnaires (IAQ) and trained enumerators to obtain accurate and reliable data. IAQ is more resource intensive but provides control over the quality of measurement as the interview is face-to-face and there is an opportunity to provide and obtain further relevant details. Shuy (2002) argues that spontaneity in response contributes to accurate answers.

The questionnaire is divided into two main parts: the demographic situation of the households and the socioeconomic conditions of the displaced community. To capture the joblessness and marginalisation, questions were asked about employment status, financial opportunities

and capabilities, and potential mobility of the communities. To ensure the credibility of the questionnaire, a validation process was initiated to select the variables and measures with experts. A pilot study was conducted to test the validity and reliability of the questionnaire.

In terms of analysis, we mainly conduct descriptive statistical analysis to understand the underlying socioeconomic risk. Selectively, we also undertake a causal assessment to identify the drivers of income earning and financial stability, since income opportunities and financial stability are crucial risk factors that relate to many other socioeconomic problems. To assess the drivers of income, we build a simple baseline model as follows:

$$InIncome = a + \beta_1 Sex + \beta_2 Edu + \beta_3 InExp$$

Where, *InIncome* refers to log of income, *sex* represents gender (1 = male), *Edu* represents education level and *InExp* is log of experience (years).

In assessing the financial stability, we used a logit model as follows:

$$log(\frac{\pi}{1-\pi}) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \cdots \beta_m X_m$$

Logistic regression estimates the odd ratio of the probability of the event occurring, in this case the probability of a worse and much worse financial situation. Where, π indicates the probability of having worse financial stability and X_1 to X_m represent the covariates. Financial stability is captured by asking household heads about their financial conditions compared to five years ago, which are recorded in a range from much better to much worse. The variable is transformed into dummy responses, with 'much better', 'better' and 'same' coded as 0, while 'worse' and 'much worse' are coded as 1. Covariates include gender (1 = male), education, whether the household received government assistance (dummy), the logarithm of household income, future investments (1 = have future investments) and retirement plans (1 = have thought a lot about retirement plans).

4.   Empirical Results

4.1   *Socioeconomic risk of the displaced community*

4.1.1 Joblessness: Employment, income, and financial stability

Table 2 shows the demographic characteristics, education level, occupation, and work sectors of the household heads of the displaced community. Of the 141 respondents, 69 of the household heads are women and the remaining 72 are men. The average age of the household head is 51 years with a standard deviation of 13.1 years. Understanding the household background is not only crucial for studying the social class of the household, but also shapes the development of the family, including children. Indeed, theoretical arguments show that the chance of advancing socioeconomically is determined by family background in addition to individual differences.

Table 2: Head of Household, Education, Occupation and Working Sector

| Item	No.	%
Education		
Never been in school	18	12.77
Primary school	54	38.30
SRP/Form 3	34	24.11
SPM	33	23.40
STPM/Diploma	1	0.71
Degree and above	1	0.71
Occupation		
Retired/ housewife/ not working	41	29.08
Own business	6	4.25
Labourer/ cleaner/ driver/ gardener	76	53.90
Technician/ kindergarten teacher/ clerk/ supervisor/ salesman/ agents	16	11.35
Professionals	2	1.42
Working sector		
Government	6	4.26
Private	88	62.40
Own business	6	4.26
Not working	41	29.08
Working members of household (including heads)		
0–2	97	68.79
3–4	37	26.25
5–7	7	4.96

As Table 2 shows, many household heads (75.1%) have an education level below Sijil Rendah Pelajaran (SRP)[1] or Form 3; 38% of household heads have completed primary school and about 12% have never attended school. In terms of type of employment, most of them are low-skilled workers. As much as 54% work as unskilled labourers, cleaners, drivers, or casual labourers, which are jobs that do not require much education. The chronological events that took place after the displacement explain the position of the head of household in the labour market. This is indeed a consequence of displacement, as they are unable to find adequate work due to their lack of education. Since most of them are plantation workers, especially rubber tappers, displacement has resulted in them becoming unemployed. This is because their skills in the plantation sector do not match the new work requirements. This predicament has forced them to take low-skilled jobs such as cleaners and gardeners. The study examines the economic and social indicators to empirically assess the state of socioeconomic risk of the displaced community.

The data provides objective measures that have been lacking in the past for future policy insights. Figure 1 shows the income distribution of the household head and those whose children work in the household. To provide some context, the study examines the mean and median income of the entire household and compares it to the total national household income and that of the bottom 40% (B40).

Panel 1 in Figure 1 shows the mean and median household income for the displaced community, the B40 and the total population of Malaysia. The mean and median income of the displaced community is RM722 and RM625, significantly lower than that of the B40 group at RM2,848 and RM3,000. This also shows that their income is below the national poverty line for 2019 (RM2,208 per month). Although Malaysia has seen an improvement in income growth and a decline in poverty rates and inequality, the reality is not reflective of the entire population, but differs between different classes and segments of society. In this respect, the most vulnerable group is the displaced. Panel 2 shows the income distribution of household heads. Overall, the median income of household heads is RM1,424.35 (SD = RM738.34). The distribution confirms that the income of the head of household ranges from RM300 to RM4,500, with most of the distribution not exceeding RM2,000. The median income of the children is also RM1,477.37 (SD = RM721.51). Their income ranges from RM900 to RM4,500 (see Panel

Figure 1: Household Income (household head and children)
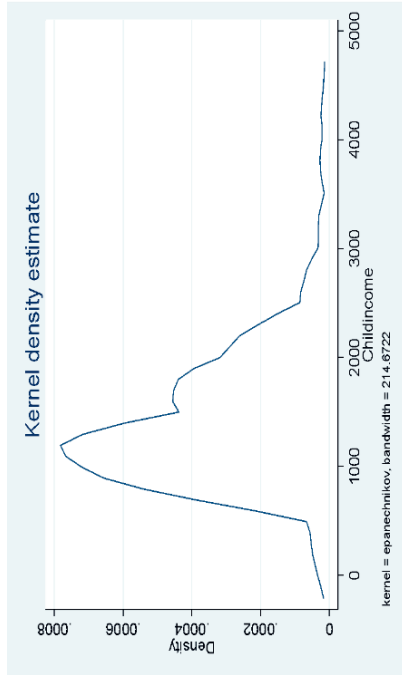
Panel 1: Household income, mean and median
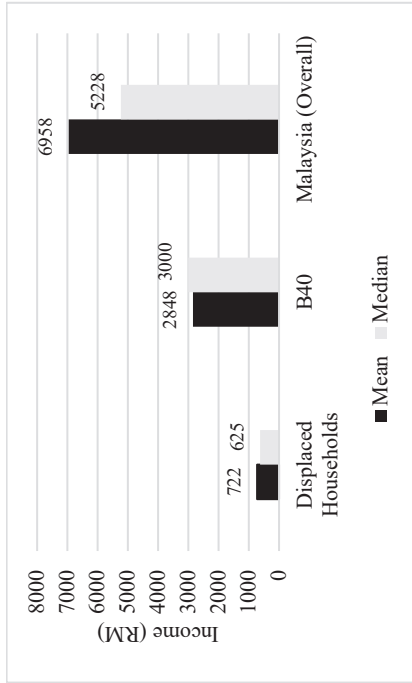
Panel 2: Head of household income distribution

Kernel density estimate

kernel = epanechnikov, bandwidth = 212.0588
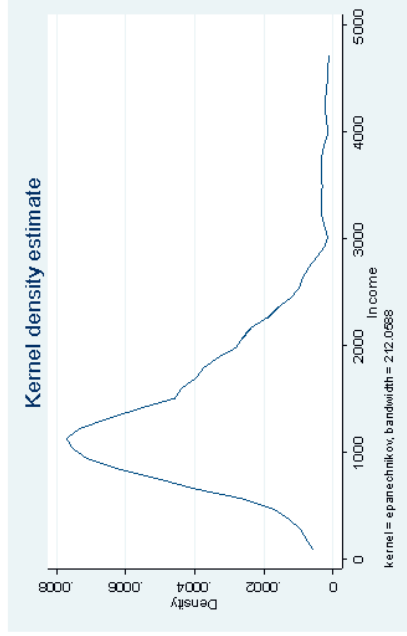
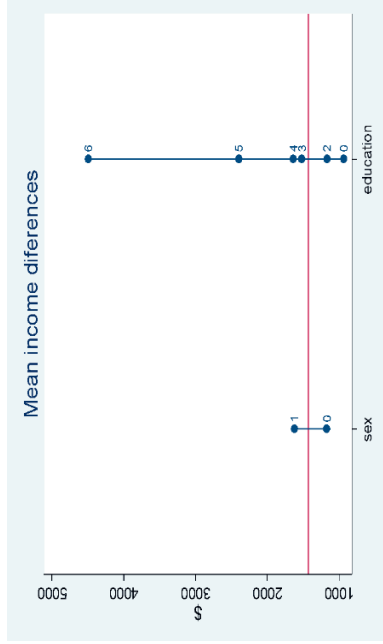Note: B40 and Malaysia figures are based on 2019 household income survey by DOSM

Note: *N* = 100 (excluding retired/ housewife/ not working); income refers to wage earned from working excluding any cash transfers and income-in-kind

Panel 4: Mean income differences

Mean income diferences

Note: The red line represents mean income. Sex: 1 = male 0 = female. Education: 0 = no education, 2 = primary, 3 = lower secondary, 4 = SPM, 5 = STPM/diploma, 6 = degree and above

Panel 3: Children's income distribution

Kernel density estimate

kernel = epanechnikov, bandwidth = 214.6722

Note: $N = 95$ working adults

3). As for mean income differences according to the gender of the household head (Panel 4), women earn less than men. On average, male household heads earn RM449 more than female household heads. This supports the notion that women enjoy fewer income advantages and opportunities (Bolotnyy & Emanuel, 2022). In terms of education, those with secondary education and above earn more on average, highlighting the key role of education in determining income (Fang, 2006). However, the quality of education received by the displaced community matters, and with almost 75% of household heads not receiving education above Form 3/SRP, the reality for the Indian displaced community in Putrajaya is far from positive.

Many households have no alternative sources of income. Only 3.5% of households have additional income. However, this income is vanishingly small, ranging from RM200 to RM400 per month. To make a living, many of them rely on in-kind benefits, which are mainly distributed by the government and various other sources. In the sample, 90% of households received some form of cash transfer, such as Bantuan Rakyat 1Malaysia (BR1M)[2] and MyKasih, and aid from the Department of Social Welfare. The range of cash transfers was between RM400 and RM1,200. In fact, 36% of households reported living on borrowed money. A larger percentage live on the support of other household members, especially children. The interview evidence provides a deeper insight into the labour market and earning capacity of the displaced community. They show that almost all households face financial problems, compounded by a lack of income-earning opportunities and skills. Most households consistently reported that they do not earn enough and are unable to earn more than the national minimum wage. An important observation is the lack of employment opportunities around the locality. As it is an administrative town, there are no employment opportunities that match the skills of the displaced community. The travelling distance makes it difficult for the community to find employment opportunities elsewhere, especially for women, as there is limited public transport.

Next, we assessed the respondents' ability to live on their income and savings alone. The results show that 52% of the displaced community are unable to survive for a month without income (Table 3). A worrying trend is that almost 93.6% are unable to survive without income for more than three months. This shows that a large proportion of the displaced community is vulnerable and lacks social protection. It is likely that not only the

current generation but also future generations will be affected. Although sustainability is an ethical concern for society and policymakers, the high vulnerability of the displaced deserves attention.

Table 3: Income Sustainability of Households

Sustainability (Months)	Frequency	%
0	74	52.48
1	33	23.40
2	13	9.22
3	12	8.51
5	1	0.71
6	3	2.13
12	4	2.84
24	1	0.71

To understand the financial situation of displaced households, this study examines two aspects: the longitudinal perspective of financial conditions over five years and their perceived current financial situation. This is to characterise the financial situation by assessing households' perceived risk that absolute income may not be able to capture. In Panel A of Table 4, households were asked whether their overall financial situation has improved compared to five years ago. For almost 61% of households, the financial situation has either remained the same or worsened. Of these, 40% stated that their financial situation has worsened. The deterioration of the financial situation shows how vulnerable the community is. With the rising cost of living in urban areas, almost half of the households are finding it difficult to cope.

Panel B shows the current perceived financial conditions of the displaced community. The financial situation is captured by the question 'How well are you managing financially these days?' with five different possible outcomes. The survey also explores whether the displaced community is excluded from the financial markets. Nearly 56% of households reported that they are barely making ends meet and find it difficult to manage financially. Their ability to participate in investments is also limited: 58% have no investments and the majority (29%) have only basic insurance investments. Those who do invest do so only in basic investments with low returns, such as insurance or savings plans offered by

banks. When asked about their future investments, almost half (55%) of the households answered that they will not make any investments. As much as 73% of households do not have sufficient disposable income to save and 79% of respondents said that income is only sufficient for daily expenses. This is a result of the lack of employment opportunities and the ability to earn an adequate income.

Table 4: Financial Position

Panel A: Financial position over five-year period	Frequency	%
Condition		
Much better off	9	6.38
Somewhat better off	46	32.62
About the same	29	20.57
Somewhat worse	45	31.92
Much worse	12	8.51
Panel B: Current financial position	**Frequency**	**%**
Managing finance		
Living comfortably	9	6.43
Doing OK	52	37.14
Just getting by	56	40.00
Finding it difficult to get by	23	16.43
Future investments		
No	78	55.32
Yes	63	44.68
Types of investments		
Insurance	41	29.08
Amanah Saham	4	2.84
Other investments	14	9.93
No investments	82	58.16
Sufficient income for saving		
No	103	73.57
Yes	37	26.43
Income only allows to meet expenses		
No	29	20.86
Yes	110	79.13

Note: Total responses do not equal to 141 or 100% in some cases due to non-response

4.1.2 Marginalisation

Next, we examine the problem of marginalisation by assessing the determinants of income and financial conditions. Understanding income and financial stability not only leads us to expect why such risk exists, but also has crucial implications for the risk and reconstruction model. Namely, understanding marginalisation if risk varies by gender, education level and other factors. We explored the reasons why the displaced community is trapped in low income with low financial stability by focusing on household characteristics such as gender, education, and experience.

Table 5 shows the baseline estimates and the model fit ($R^2 = 0.21$) shows that gender, education, and experience explain 21% of the income variation. This is a reasonable fit given that we are estimating the baseline model, and our aim is to examine key individual differences, not for predictive purposes. The strongest covariates are education and gender. Consistent with previous results, additional years of education contribute significantly to income gains. This suggests that individuals with secondary education and above earn more than the average income on average. Nevertheless, 75% of household heads have no higher education than Form 3/SRP, so the education premium does not apply to most households.

Table 5: Determinants of Head of Household Income Earnings

Variables	Coefficient	SE	*t*-value	*p*-value
Experience	0.0487	0.041	1.20	0.232
Sex (1 = male)	0.227*	0.087	2.61	0.011
Education	0.124**	0.037	3.31	0.001
Constant	6.582**	0.151	43.62	0.000
R^2	0.2073			

Note: SE refers to standard error. Estimated based on 93 observations. * significant at 1% and ** significant at 5% respectively

The next best option for these households, then, is to focus on experiences that can increase their earning capacity. However, the results show that additional years of experience do not contribute significantly in any way to income within their occupational class. This suggests that the community is trapped in an occupational class where experience is

not valued. Another interesting observation is the gender income gap. The household income of men is significantly higher than that of women. The income gap due to gender ($\beta = 0.227$) is even higher compared to education ($\beta = 0.124$). On average, male heads of households earn RM449 more than female heads of households after controlling for education and experience (male = RM1,624 and female = RM1,175). This confirms the argument that risk is differentiated, and that policymakers should take these risk factors into account in their reconstruction approach to displacement and resettlement.

The lack of occupational mobility, even with slightly higher education (at one level), does not allow the displaced community to rise above its income threshold, as the change of occupational level is within the same class and no better. Low-wage work is pervasive and there are not enough 'good jobs' for these displaced communities. Similarly, this low-wage work is a source of economic vulnerability for the displaced community. Experience shows that promoting robust income growth is much more important for inequality and the well-being of low-income households than any government welfare programmes. At this point, however, neither the low level of education of the displaced nor the experience would help them escape the vicious cycle of the low-income trap. The interviews further confirm this idea: those who work as cleaners or guards are hardly paid for their experience. One of the interviewees who works as a cleaner said:

> *I have been working as a cleaner for more than 10 years, but my income is still the same all these years, RM1,100. There is no salary increase (Personal communication, December 9, 2018).*

In one case, the respondent, who is only 52 years old, worked as a gardener for a private company in Putrajaya and lost his job after the company moved to another location. His 20 years of work experience could not adequately improve his financial situation and his last salary was only RM1,100.

> *I worked for a private company as a gardener in Putrajaya for almost 20 years. When the company was relocated to another place, I was offered RM1,300, which is more than my last salary of RM1,100. I did not accept the offer as it is far away from my family and home (Personal communication, December 9, 2018).*

Similarly, another respondent pointed out the difficulties he faces due to lack of skills, forcing him to take casual jobs, including a job as a temporary worker in a laundromat, for which he receives RM10 per day. His monthly income is only RM300. He explained this as follows:

> *Our life is very hard; I depend on my wife to take care of the family. My wife works as a cleaner in a golf club. Her salary is about RM1,000 and she has been working for 10 years in the organisation (Personal communication, December 9, 2018).*

Table 6 shows the results of the parsimonious model for understanding the determinants of financial stability. It shows that education and those who have adequately planned their future investment plans have greater financial stability. Gender, government support and adequate retirement planning do not affect the likelihood of better financial stability. The study shows that education is crucial and that intention to invest in the future needs to be encouraged, as investment intention among the displaced community is low. Importantly, a more holistic plan is needed, as one-off government support does not provide the necessary financial stability.

Table 6: Determinants of Financial Stability

| Variables	Odds ratio	SE	z	$P > z$
Sex	0.608	0.235	-1.290	0.198
Education	1.452**	0.245	2.200	0.028
Government support	0.786	0.531	-0.360	0.722
Household income	1.701***	0.532	1.700	0.089
Future investments	2.271**	0.868	2.150	0.032
Proper retirement plan	0.933	0.352	-0.180	0.855
Constant	0.0042**	0.011	-2.060	0.040
Pseudo R^2 (0.0833)				

Note: ** significant at 5%; *** significant at 10%

   In the context of marginalisation, the assessment of intergenerational mobility is crucial as it indicates the ability of children to achieve a higher standard of living regardless of their parents' circumstances. In the process of intergenerational economic and occupational mobility, educational attainment is crucial (Torce, 2019). Due to the small sample, the study compares the education of the parents (highest education of the father or mother) and the education of the children (highest education of the working children). It assesses the extent to which children's education is better than that of their parents by considering children who have already started working. Figure 2 (Panel A) shows intergenerational mobility in education. Interestingly, 68% of children have better education than their parents. However, it is also the case that many with upward mobility in education have moved up only one or two levels, 23% one level higher and 34% two levels higher. The study also shows that 14.5% of children have the same level of education as their parents. However, many of the improvements in educational level are at a lower educational level. It is also surprising that 16% of the children have a lower level of education than their parents. The results of the survey indicate that they either dropped out of school or did not pursue education due to a lack of interest.

   Looking at educational attainment alone is not sufficient to gain meaningful insight into intergenerational mobility. Therefore, this study also examines labour market outcomes (see Figure 2, Panel B). The overall results show that the children's income has improved only slightly. The median income of fathers is RM1,400, while children earn between RM1,200 and RM1,300. Although experience may have contributed to the median income of fathers being higher than that of the children, the study of occupational groups shows that the children have not moved higher up the career ladder than their parents. Many of the children are still in the low-paying job category, which limits their ability to make the necessary income progress. Similarly, any additional experience would not significantly improve the children's income gains. This is similar to the trap observed for parents, where experience in the low-paying jobs does not matter. Although Panel A shows that most children have achieved a better level of education, most of the improvements are at the lower level of educational qualification. Therefore, even in this situation, the children's income may not improve significantly.

Figure 2: Intergenerational Mobility in Education and Income

Panel A: Intergenerational mobility in education, parents vs. children
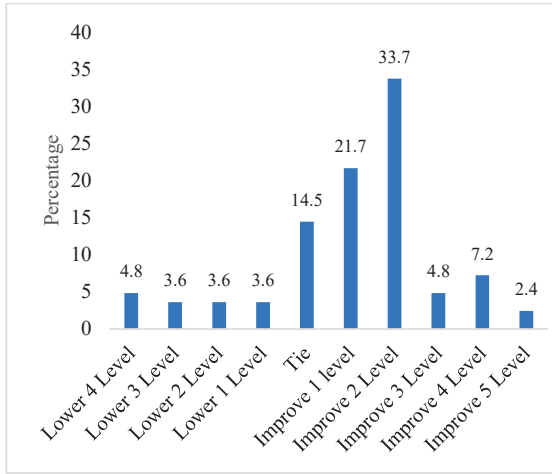
Panel B: Mean and median income, parents and children
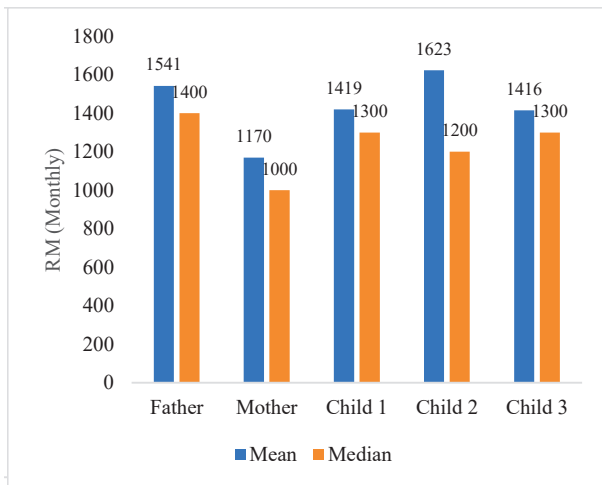
Notes: Households without working children and with information on parents' education are excluded. In the case of households with more than one working child, we take the highest education level of the children. In comparing parents' education (father vs. mother), we take those with highest education level. n = 84

Table 7 shows the educational distribution of households, especially of father, mother and their children (up to the third child). For parents, the highest proportion of educational attainment is in primary and secondary education (up to Form 3). Interestingly, women (mothers) without educational qualifications make up 22% of the households. The study of children's educational attainment shows that most children have completed secondary education and have attended school for 11 years (41.98% and 44.44% respectively). It is also true that more than 11% of the children have attained higher education and a degree. This shows that the children are doing better in terms of education compared to their parents, but only one or two levels higher. However, educational mobility appears to be much better for the second and third child within the household, especially in attaining Sijil Pelajaran Malaysia (SPM)/Form 5 qualification.

Table 7: Education Intergenerational Mobility, Parents and Children (%)

Education level	Father	Mother	Child 1	Child 2	Child 3
No education	8.26	21.97	11.11	14.81	13.79
Primary	38.53	31.82	13.58	3.70	3.45
Secondary (up to Form 3)	29.36	19.70	17.28	16.67	20.69
SPM	20.18	24.24	41.98	44.44	51.72
STPM/Diploma	2.75	1.52	11.11	11.11	6.90
Degree and above	0.92	0.76	4.94	9.26	3.45

Another key issue of educational mobility is early school leavers (see Table 8). It is alarming that 26% of households have children who dropped out of school after their secondary education. The main reasons given are financial constraints (41%), lack of interest in studying (27%) and family problems (15%). A detailed analysis of the data shows that the prevalence of dropouts is higher for the first child. Nevertheless, there are also households in which more than one child drops out of school. In almost 50% of the households concerned, more than one child dropped out of school. Interestingly, 43% of children did not go beyond secondary school to acquire the skills and knowledge they need to secure employment.

Table 8: School Dropouts Beyond Secondary Education Attainment and Reasons

Item	Frequency	%
School dropouts		
No	93	65.96
Yes	36	25.53
Not relevant	12	8.51
Reasons for withdrawal		
Family issues	6	14.63
Not interested in studies	11	26.83
Finance	17	41.46
Health issues	4	9.76
Others (friends, crime, etc.)	3	7.32
Pursued beyond SPM		
Yes	64	45.39
No	61	43.26
Not relevant	16	11.35
Reasons for not pursuing		
Family issues	10	16.39
Failed secondary schooling	3	4.92
Not interested in studies	27	44.26
Finance	19	31.15
Health issues	2	3.28

Notes: 'Not relevant' refers to households that do not have children or with children that have not reached the age of schooling. Pursued beyond SPM refers to those who have not reached secondary level or have gone beyond secondary level (SPM).

Failure to complete school beyond SPM is also a serious limitation to future opportunities. Although Malaysia promotes various incentives and programmes (e.g., community colleges, education loans) to improve educational attainment, the efforts do not seem to reach the needed sections of society. Lack of interest in studying (44%), lack of financial support (31%) and family problems (16%) are the main reasons.

5.   Conclusion and Policy Implications

This study examines the socioeconomic risk in terms of joblessness and marginalisation of the displaced Indian community in Putrajaya. The findings

show that the majority of households have incomes below the national poverty line. Despite the country's progressive economic growth, the income of this community remains stagnant. Most of them are engaged in low-skilled work as their qualifications do not match the available job opportunities. This is particularly due to their previous employment in the plantation sector. Consequently, their limited income has a negative impact on savings and investments. The results also show slow progress in the social dimension as far as education is concerned. In particular, the number of school dropouts is alarmingly high. Indeed, the community lacks social support, which limits its ability to function and receive important information.

Intergenerational mobility was tested using the construct of education and income. Although educational mobility has improved somewhat, the percentage remains relatively low compared to the national level, as most children have only attained SPM-level qualifications. Interestingly, the level of education is much better for the second or third child. Although educational mobility has improved marginally, there is still not much awareness of the importance of education among parents. There are also no differences in income mobility between the generations, i.e., the children's income has not changed significantly compared to that of their parents.

Our study provides valuable guidance for designing intervention policies to improve the situation and risk faced by the displaced community in Taman Permata. As there are already various governmental intervention policies and programmes, we argue that the implications for policy design should be considered for effective implementation. First, the inclusion of plantation workers is crucial, and they should be considered as a target group in all existing intervention programmes related to education and employment opportunities. We note that many of the policies do not specifically target vulnerable groups due to incomplete databases. In addition, our data already provides important evidence for policymaking and points to areas where displaced communities are lacking. In areas such as financial literacy, school dropout rate, intergenerational mobility and marginalisation in general, critical political will is needed to tailor intervention programmes to community needs. Indeed, authorities can align retraining programmes with special attention to these groups to enable them to learn useful skills and become competitive by targeting their occupational group that, like the displaced community, includes many other poor communities. In addition, clear policies should be formulated to ensure that employment opportunities

for displaced households value their work experience. Structurally, some form of modernisation of the industry is required.

Second, we argue that the lessons from this study highlight the complexity of risk assessment. While identifying risks is critical, policymakers should consider the dynamic interactions in order to create effective intervention plans. In examining the two main risks, joblessness and marginalisation, we made two important observations. First, we found that the risk factors are dynamic in nature and proving causality is challenging. Not only is the interplay between the parameters of joblessness and marginalisation complex, but there is also a close interaction between the two main risks. For example, we have found that a lack of employment opportunities leads to marginalisation, where the community remains trapped in certain skills and competencies. Thus, years of experience do not necessarily lead to income advancement. Therefore, we argue that a single intervention programme will not advance the community. Instead, depending on the circumstances, bundles of intervention programmes are required for a more holistic approach to avoid socioeconomic risk. Policy design should take this dynamic into account.

Third, the differential impacts of displacement are evident and require a more systematic, targeted and participatory approach to the formulation and implementation of resettlement policies and guidelines. For example, the current government cash transfers received by the displaced population are based on income levels and do not consider the actual risk factors of the displaced population. The government should consider various risk parameters in the current cash transfers to ensure that they are targeted and serve their purpose. Finally, the findings suggest that policymakers need to be vigilant in assessing socioeconomic risk factors and enable better monitoring and support to the DID ecosystem. Clear regulatory guidelines and action plans are needed to mitigate issues related to displacement and ensure a smooth transition for displaced communities.

Acknowledgement

Notes

[1] Later renamed as Sijil Penilaian Rendah.

[2] Which is known as Sumbangan Tunai Rahmah in 2023.

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