

Ethnic Segregation and Politics: Evidence from Malaysia

Chun Chee Kok * Gedeon J. Lim †

November 30, 2022

Abstract

How does inter-group contact shape preferences for ethnic politics? In this paper, we study how persistent differences in inter-ethnic contact affect voter preferences for ethno-nationalistic politics. Specifically, we study the effects of a large-scale colonial resettlement program of 500,000 rural ethnic Chinese villagers in ethnic Malay-majority Malaysia. In a fight for “hearts and minds”, Chinese villagers were relocated into 550 fenced-up, isolated, mono-ethnic camps to cut-off support to the Malayan Communist Party. Using linked administrative data, we show that these actions drastically altered the ethnic geography of peninsular Malaysia. We then examine downstream effects on electoral support for the ethno-nationalist coalition. A 1km increase (decrease) in distance (proximity) of a polling district to the nearest Chinese village is associated with a higher vote share for the ethno-nationalistic coalition. We find suggestive evidence that these effects are driven by higher contact. Less-proximate polling districts have a higher (lower) ethnic Malay (Chinese) share and are more likely to be exposed to ethnic Chinese (Malays) (lower isolation / lower residential segregation). Together, these results suggest that inter-group contact may have persistent effects on voter preferences for ethnic politics.

*PhD Candidate, Monash University. Department of Economics. 900 Dandenong Rd., Caulfield East Victoria 3145. chun.kok@monash.edu.

†Assistant Professor, The University of Hong Kong. Faculty of Business & Economics. Pokfulam Rd., Hong Kong SAR. gedeoni@hku.hk.