Chapter 14
General Prospects and Contending Issues in Malaysian ICT Policy

ABSTRACT
Malaysia was one of the early adopters of Internet technology to steer innovation policy in a direction that is making the country become a knowledge-based economy. This notion of knowledge-based economy driven by ICT is best exemplified by the borderless connectivity, interactivity, and networking. Since the middle of 1990s, there have been gradual but systematic public and private sector initiatives towards ICT agenda with the prominent role of the state. This chapter aims to unpack ICT developments and examine the implications of the post-MSC formation for Malaysia and its associated issues and challenges. Second, the discussion provides an overview of MSC performance and its importance for enhancing growth, trade, and investment; reducing the digital gap; nurturing innovation; and achieving more inclusive societies. Third, some issues and challenges in MSC development are also highlighted.

INTRODUCTION
Admittedly, as important driver as well as an enabler of national infrastructure, education and human capital development, ICT has become key institution in the knowledge-based economy (Ahmad, 2008), which is continually being scrutinized not only to enhance physical connectivity but also to symbolize policy innovation for addressing the country’s growth towards inclusivity and balanced growth as articulated in the New Economic Model (NEM). Thus, in general, ICT projects are designed to support the transformation of the country to leapfrog into a high-value economy (Haslinda et al., 2011; Xue, 2005), MSC expansion i.e. cyber cities is essential to the realization of Malaysia’s innovation goal of technological convergence and is indispensable to Malaysia’s future success.

MALAYSIAN ICT CHALLENGES
Amid the advent of digital technologies and convergence, the national ICT in Malaysia has raised some critical questions. One of the purposes of this book is to determine how the process of digi-
Digital convergence and were facilitated by the ICT development models and to show how they were affected by the three critical factors: the innovative policy, the regulatory, and the institutional reform, within the context of the Malaysian ICT agenda since the middle 1990s.

Section 1, Chapters 1 to 5 of the book, provided an extensive literature review covering a wide range of Asia experiences of ICT and models showing different understanding about the implications of new technologies on the search for new mode of governing ICT tools. This part reflects some significant insights pertaining to the nature of ICT and its convergence policy, industry’s self-regulation and institutional forces in pursuing ICT development most importantly in Malaysia. After comprehending the various model underpinnings ICT as well as the interplay between the ICT adoptions, theoretical discussions have been examined in the Section 2—Chapters 6 to 8.

Drawing upon the experience of various ICT policy domains, this book has reported the results of research provided by the convergence model in Malaysia, which lend its root to the proposed NITA with its unprecedented people-based policy, the MSC Flagships and its five strategic thrust areas, the new regulatory regime (NRR) and the relevant initiatives for digital convergence. It was revealed in this book that the global convergence and the industry self-regulation principles as transpired in the new regime were encapsulated in the interplay between the process of digital convergence and ICT policy, embracing new mode of governing ICT. In an attempt to assess to what extent the governance process were impacted by the convergence technology, Chapters 3, 4, and 5 have shown that government policy makers should not preclude the phenomenal growth of digital technologies which requires a restructuring of Government’s traditional policymaking roles. The study found that increasing attempts to address the challenge of convergence in the national ICT agenda presented by new technologies were associated with attempts to promote effective model of ICT governance in the Malaysian public sector. In order to provide background knowledge for better understanding of the complicated strategic initiatives and political manoeuvring over these new technologies, the book has also examined the historical origins of Malaysia’s national ICT agenda as well as its subsequent progress in corresponding to digital convergence phenomenon and sheds lights on the guiding models for operation.

**DIGITAL CONVERGENCE AND POLICY CHANGE**

It has been shown that the ICT strategies adopted by the Government are of great significance in determining the extent for new mode of governance. Different ways of understanding the nature of convergence policy partly reflected in unprecedented development in k-economy strategy in correspondence to the global scenario.

The period since the 1990s has witnessed a host of initiatives by the Malaysian Government, as transpired in the preamble section, and empirical chapters that the country had followed a multifaceted strategy characterised by the dominant role of bureaucrat-technocrat in charting the agenda for change. In particular, the Malaysian Government have initiated a series of policy and administrative reform on a national scale. The single most important national ICT agenda for development has been based on the rhetoric of new governance envisaged within the NITA framework. Malaysia had successfully gained international recognition and has since made a remarkable progress as far as an innovative strategy is concerned. Towards the end of 1990s, the country has faced another formidable challenge of new economic growth which is fast shaped by the digital convergence phenomenon. There was a great concern for the country to buck up herself or risk losing its competitiveness. Malaysia’s answer to this challenge was to chart a new agenda for convergence.