



# Trade Facts

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## Malaysia Facts

- Malaysia is a Southeast Asian country of about 330,000 sq km, or slightly larger than the State of New Mexico. The Federation of Malaysia comprises Peninsular Malaysia and the states of Sabah and Sarawak on the island of Borneo. It borders the nations of Thailand, Indonesia, Brunei, and Singapore.
- Malaysia established its independence from Britain in 1957 and the Federation of Malaysia was formed in 1963 when the Borneo states of Sabah and Sarawak, together with Singapore (which left the federation in 1965) united to form a country. Malaysia is a parliamentary democracy. Abdullah Badawi, leader of the predominant political party, the United Malay National Organization, became Prime Minister in 2003 and won an overwhelming victory in March 2004 general elections. Malaysia has universal suffrage.
- Malaysia has a population of 27 million, comprised of Malays, Chinese, Indians and other indigenous populations. It has a majority Muslim population as well as many other religious groups, including Buddhist, Taoist, Hindu, Sikh, and Christian. Malaysia takes pride in its ethnic and religious diversity and works to promote an environment of pluralism, tolerance and harmony among the various groups.
- Malaysia has an educated workforce with a literacy rate of nearly 90 percent. The Malaysian Government has been successful in its efforts to reduce the number of those living below the poverty line, now at 5 percent.
- Malaysia is an upper middle income country with a diverse labor force. Nearly 50 percent of the labor force works in services, 37 percent in industry, and 13 percent in agriculture.
- Over the past 30 years, Malaysia's economy has diversified considerably. From one based primarily on mining and agriculture, the manufacturing sector, principally electronics and electrical products, is now the major engine of growth. Other industries include plastics and chemicals, food processing, tin, palm oil processing, wood, rubber and petroleum production and refining.
- Malaysia's trade policy focuses on greater integration into the world economy and enhancing its global position as a trading nation. Its policies are aimed at developing higher value-added activities in manufacturing, improving services delivery and increasing human capital to support the development of a knowledge-based economy.