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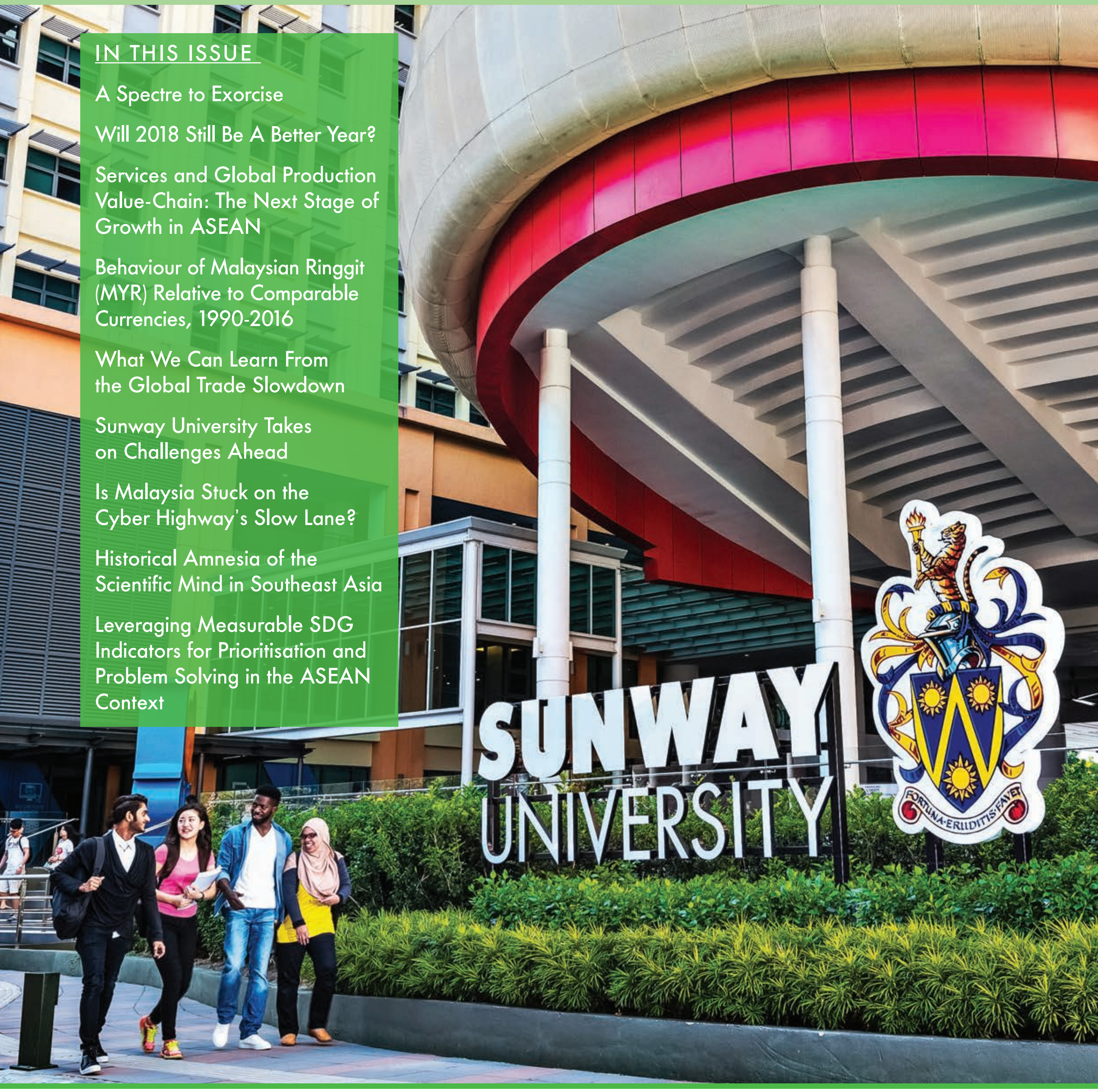

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A SPECTRE TO EXORCISE

WOO WING THYE
President, Jeffrey Cheah Institute on Southeast Asia

A new spectre is haunting Southeast Asia – the spectre of religious extremism. However, unlike the past when all the powers entered into a holy alliance to successfully exorcise the old spectre of hardline socialism, the same is not happening today. The phalanx of strong security agencies that won the Cold War with relentless suppression of – and frequent over-reaction to – political challenges has remained in place, but many of today's ASEAN governments have been unusually pusillanimous in the use of their security apparatus to extinguish this new spectre. The result is that this new spectre now operates openly and no longer hides in the tawdry shadows of disreputable whispered discussions.

The oppression of the Rohingyas by Buddhist extremists in Myanmar is not an acceptable solution to the difficult problem of defining national identity. The jailing of former Jakarta governor, Basuki Tjahaja Purnama, on blasphemy charges confirms the extreme ease with which people can be emotionally roused to fight for their faith. Because religion is, and has been, such a strong mobilizing force all over the world from time immemorial, unprincipled politicians have constantly resorted to this fearmongering method to further their careers.

It is essential that we remember that none of the original proponents of the main world religions – like Lao Tze, Siddharta, Jesus, and Muhammad – ever called for genocides to completely extinguish competing systems of beliefs. On the contrary, they instruct us to live in peace with the followers of other faiths, accepting them for what they are and not just tolerating them begrudgingly. Religion is a personal choice undertaken voluntarily.

These great teachers had the humility not to play God. They yield to God to decide on Judgement Day who enters into heaven, or who gets reincarnated to a higher life form, etc.

Religious leaders in Southeast Asia should show similar humility by teaching their followers acceptance of other belief systems. They should also speak out against political leaders who demonize other religions. Equally importantly, the religious moderates, who form the majority, must prevent the minority religious extremists from hijacking their religious organization to advocate discrimination against other religions.

Religious extremism makes life on earth hell in many ways, apart from blowing up people. For example, the Taliban's ban on education for woman ensures that Afghanistan will remain backward economically and socially because Afghanistan will be using only half of its national brainpower to compete against the rest of the world in technological acquisition, understanding new social trends, and entrepreneurial innovation.

Even Malaysia, which had been often held up as a model of religious moderation that kept peace in a multi-ethnic society, is now showing some harsh differences in doctrinal interpretations e.g. the attempt to establish a Muslim-only launderette in Muar, and the detention of the renowned Turkish public intellectual, Mustafa Akyol. Neighbour Sri Lanka is a reminder of what happens when opportunistic politicians use religious zealotry to win elections that lead inevitably to the destruction of the economy and to horrific carnage.

Neighbor Indonesia will hold regional elections in June 2018 and general (parliamentary and presidential) elections in April 2019. Given how religion was used successfully to galvanize voters in the 2017 Jakarta gubernatorial election to bring about an upset, it is widely predicted that the 2018 and 2019 elections will be the struggle for the soul of the country between traditional Indonesia-style Islam and the relatively recent import of strict Arab-style Islam. The former supports the secularism of Indonesia's founding principles (Pancasila) and the latter rejects it.

We wish our Indonesian compatriots wisdom in picking their leaders, and we wish the victors humility in leadership.

WILL 2018 STILL BE A BETTER YEAR?

PROF TAN SRI DATO' DR LIN SEE-YAN
Research Professor, Sunway University
Former Deputy Governor, Bank Negara Malaysia
President, Harvard Club Malaysia

Early in the year is an insane time for the Wall Street community of economists, stock analysts and bond strategists, as they go about defining year-ahead outlooks. All this despite their near-universal failure to predict what happened in 2017. Sure, forecasting is difficult. Even the International Monetary Fund (IMF), World Bank, OECD and private think tanks – for all their expertise – have consistently failed to predict growth and inflation 18 to 24 months ahead. Indeed, markets have since virtually proved all predictions wrong. In 2017, almost all were bullish about the prospects for higher bond yields, stock prices and the US$, driven by rising wages and Trump's prospective tax cuts. A year on, inflation has not materialised, and the impact of the tax cuts remains uncertain; benchmark 10-year Treasury yields are down, not up; US$ is down, not up; and S&P 500 has gone wild – up more than twice the gains of even the most bullish predictions on Wall Street. Notably, this year's lack of inflation was a "mystery" (including for the Federal Reserve (Fed)). Not surprisingly, investors became increasingly convinced that inflation would stay dormant, bringing down long bond-yields and the US$, even as the buoyant economic numbers boosted profits and stock prices. Still, they did offer two useful lessons: prices can go only in one direction – that's dangerous; and, we really know a lot less about how the economy and markets really work.

But 2018 could be different. The global economy is in relatively good shape and inflation can begin to stir soon. The Fed may possibly quicken its winding-down pace. The long-awaited bond bear market may be around the corner. An interesting lesson from the failure of bond prices to pick up last year was that yields were kept down by the US$4 trillion of bonds held by the Fed. It seems to me that it matters to the market how much the Fed holds rather than how much it buys or sells, but investors tended to focus instead on the flows.

For 2018, the consensus favours inflation to quicken to 2% by end of 2018, 10-year Treasury yield to rise to 3%, and the S&P 500 to gain another 7-8% to beyond 2,825 points. And so, faster inflation and tighter monetary policy in the US, EU and Japan will have material consequences for "fixed income." This could imply up to 2% annual loss for developed bond markets, the worst performance since 1994. Nevertheless, the much aligned annual outlooks do serve a useful purpose – a kind of mental exercise to make us step back periodically, re-think and revisit assumptions. Ultimately, the value of year-end stock-takes lies in the analysis they contain, not so much the numbers they predict.

GROWTH UPGRADE

The global economy is growing, this time in a synchronised recovery and continues to gather strength. Less than two years ago, the world faced stalling growth amid financial market turbulence. Today, we have continued strong expansion in Europe, Japan, US and India, even China. Financial conditions remain buoyant across the world, with financial markets being stable – even as the Fed continues with its monetary normalisation process and as the European Central Bank prepares for its own. The IMF has since upgraded its forecasts for world economic growth for 2017, 2018 and 2019. Better data than expected in the autumn raised the growth predictions for the last year, with momentum carried forward into 2018 and augmented by the US corporate tax cuts. The world economy was likely to have grown 3.9% this year and next – up 0.2 percentage points for both years on the back of a better outlook in the US and the Eurozone. IMF raised US growth forecast for 2018 from 2.3% to 2.7% and added a 0.6 percentage point upgrade to its 2019 US forecast, lifting it to 2.5%. By 2020, the total effect of the corporate tax cuts is likely to have boosted the US economy by 1.2%. IMF also revised its European growth predictions higher – by 0.3 percentage points in both years – to 2.2% in 2018 and 2% in 2019 on the back of encouraging data, high confidence and signs that the recovery is self-sustaining. While advanced economies are performing better than expected, IMF has noted that the fastest growing global region continues to be Asia, with the supersized economies of China and India in the driving seat: "The region continues to account for over half of world growth." GDP in China rose by 6.8% in 2017, with an expected 6.5% in 2018; in India, GDP rose 6.7% in 2017, increasing to 7.4% in 2018. As a group, emerging market economies (EMEs) in Asia performed the best at 6.5% in 2017 and continues at this pace into 2018. Much of the growth reflects higher domestic demand in China and continuing recovery in India, Brazil, Russia and Turkey. ASEAN's five biggest nations (including Malaysia) expanded at 5.2% in 2017, and again (hopefully) in 2018. Consumer price inflation has softened as the boost to prices from the oil price recovery of 2016 faded. Despite stronger growth in domestic demand, core inflation remains muted. Inflation, however, is likely to rise only gradually in 2018.

Still, is growth sustainable, considering that throughout G-7, (i) investment growth has remained sluggish; (ii) the rise in labour productivity has been well below the 1995-2007 average and; (iii) high indebtedness continues to constrain the pace of growth? Both corporate and household debt remain high. Similarly, EMEs are also plagued with high debt, especially corporate indebtedness, much of it in foreign currencies. Corporate debt/GDP ratio in China is already the highest in the world. The associated risks are of concern, given that interest rates are likely to rise in the face of stronger growth and prospects of higher inflation. In all, high and rising debt makes sustaining growth more difficult. In addition, the world economy also faces serious political risks as well as threats to liberal trade.

COMMODITY PRICES

The strong performance of the world's economy is finally filtering into commodity prices. Last year will probably turn out to have been the first year since 2010 in which growth accelerated in the US, Europe, China, India and Japan and Brent crude oil, copper and a Bloomberg composite index of spot prices for 22 raw materials are all at their highest levels since November 2014. But if global demand has been picking up, why has it taken this long to become evident in commodity prices? More importantly, how sustainable is the rally? The delay in price increases is the easiest part to explain. Years of strong production of oil, base metals and grains left the global economy with huge surpluses. Stockpiles of oil reached a record high in November 2015. OPEC agreed to restrain production in order to drain the surpluses. China also did the same: in 2016 it cut the number of working days for coal miners and cut its steel output. These measures appeared to have little effect at first, but now that strong demand has eaten into those reserves, prices are rising again. The rally's likely length is more difficult to assess. The short-term outlook for the global economy is highly encouraging. This will generate higher demand for commodities. But in the longer term, prices may weaken. After all, oil prices have only risen above US$ 60 a barrel so far, and if prices continue to climb, then American shale producers will drill faster to exploit greater profitability. In agricultural markets, excellent recent harvests of the most widely consumed grains and seeds – wheat, maize, soybeans – have kept a lid on price, and stocks are still bulging, so any price increases arising from freezing weather across North America at the beginning of 2018 will be temporary. Even after years of commodity producers limiting their output to support prices, they should be wary of loosening their belts too quickly.

WHAT THEN, ARE WE TO DO?

Doubtless, downside risks of financial stress, increased protectionism, and rising geopolitical tensions threaten EMEs as well as the G7. China and India have shown an ability to manage adverse external developments. The same is not true for most other EMEs, even large ones such as Brazil or Russia. However, if another crisis comes, they are likely to be hurt. What they can do is improve their underlying dynamism, which should also increase resilience. The slowdown in potential growth of EMEs due to ageing and the weakening growth of productivity, is disturbing. EMEs have greater need for fast growth because they are still so poor. Moreover, they should have a larger potential for growth, because of their ability to catch up. The World Bank forecasts potential growth of EMEs at an average of 4.3% between 2018 and 2027. This is 0.5 percentage points below the 2013-17 average and 0.9 percentage points below its average of a decade ago. Moreover, this slowdown is widely shared. Between 2013 and 2017, potential growth was below its longer-term average in almost half of all EMEs. This slowdown partly reflects ageing, weak investment and slower growth of "total factor productivity" (TFP) – a measure of output generated by a given quantity of labour and capital. Since 2010, investment growth has slowed sharply in EMEs, from double-digit rates in the wake of the global financial crisis to a post-crisis low of just 3% in 2016. EMEs should use today's buoyant global growth to encourage higher investment and make structural reforms needed to raise productivity growth. They should act now. Economic sunshine never lasts.

Of late, reviews of Malaysia's 2017 economic performance by the IMF and World Bank have been unusually upbeat, with the expectation of more of the same in 2018. Indeed, both talk of GDP growth rates slackening towards 5-5.5% in the coming year, building on continuing steady growth in Q4 of 2017. However, best available evidence suggests "a disconnect" between the reported broad macro-numbers and actual seat-of-the-pants experience. Realistically, ordinary people do not "feel" any of this upbeat lift, other than the many, messy traffic jams. Home sales are generally down; so are house rentals in a moribund property market. Many feel there is already overbuilding. More importantly, retail sales are down, and car sales are sluggish. Businesses in malls have also slackened. The Malaysian Retailers Association (MRA) and Retail Group Malaysia (RGM) have been revising their forecasts downwards, reporting contracting retail sales for most of 2017. Their membership has even expressed "not optimistic" sentiments for 2018, reflecting consumption fatigue. Most cited falling "purchasing power" and intense competition as the main causes. One thing is for sure, the ringgit does not go far these days. Hawker-stall and street food prices are significantly up, that hit pocketbooks. It does appear the drivers of "strong" performance so far are probably transient. The structural foundations are weakening. In this sense, much of the euphoric "growth" reflects a sugar high. There has been no fundamental lift across the economy.

The suggestion that underlying structures have improved is unrealistic because of continuing weakness in the ringgit having fallen 35% against US$ over the past five years; and 15% against the S$. If fundamentals had improved, there would have been significant capital inflows and an appreciating ringgit. The ringgit is weak when it keeps on struggling to break the RM3.90 to 4.00 = US$1 mark. Fair value, in my view, is closer to RM3.00. Indeed, it's a shame we now have to pay so much more than RM2.50 for S$1. A weak ringgit does not serve the national interest. The objective of reaching high income status must be viewed in terms of its international purchasing power. Doubtless, a strong ringgit is best.

Of greater importance is whether growth is sustainable. Despite low capital costs and abundant corporate cash (both an inducement to investment), productivity growth has been very slow, and growth in private fixed investment is sluggish. Given low labour force growth and high youth unemployment, a significant acceleration in productivity will be necessary to maintain economic expansion in the coming years. Even if growth can somehow be maintained, it is fundamental for a healthy economy that its benefits are widely shared. Unfortunately, the tendency has been for inequality to increase, with much of the growth being captured by a small "few." There can be no meaningful and sustainable growth in workers' take-home pay without successful measures both to raise productivity and to achieve greater equality. Only in this way, can there be healthy, sustainable growth. This can only be achieved through deep, structural reforms, including wide-ranging serious institutional transformation; commitment to world-class quality education and R&D; high standard of universal health care; greater open government; more reliance on private initiative and zero tolerance of corrupt practices. These are desperately needed. Ad hoc measures, however well-intentioned, merely prolong the sugar high.

SERVICES AND GLOBAL PRODUCTION VALUE-CHAIN: THE NEXT STAGE OF GROWTH IN ASEAN

PROF SHANDRE THANGAVELU
Vice President, Jeffrey Cheah Institute
Senior Fellow, Jeffrey Sachs Center

The services supply chain is becoming an important driver of trade and growth in the ASEAN region and beyond, providing ample opportunities for countries at various stages of growth, in particular for their SMEs, to participate in the production chain from end to end.

ASEAN has seen its services exports more than quadrupled since the Asian Financial Crisis. In 2001, the services exports generated US$69,090 million and had by 2013, increased to nearly US$281,130 million. The growth rate itself increased from 0.2% in 2001 to 7.1% in 2013.

This growth was driven by key sectors such as insurance (16.5%), financial services (11.7%), computer and information (5.3%), other business services (3.2%), transportation (1.9%) and government services (5.7%) in 2013. Notably, business services (other business services) grew to 3.2% in 2013 from negative growth of nearly 10% in 2001.

Expanding on a broad front, the services sector has been responsible for job creation, and across all ASEAN countries, its role as job creator has become more important than that played by the manufacturing sector.

Increasingly, we are observing supply chain activities in the services sector independent of its linkages to the manufacturing supply chain activities. This is changing the traditional view that services activities support manufacturing activities and that manufacturing growth will hence lead to services sector development. Increasingly, we are observing global value-chain activities in education, tourism, medical and healthcare, logistics, e-commerce, financial services, telecommunication services and business services [business process outsourcing (BPO)].

human capital at the ASEAN Least Developed Countries (LDCs) of CLM (Cambodia, Lao PDR and Myanmar) hindering them from effective participation in the regional supply-chain. The average education attainment of these countries is still at a very low level.

The more developed ASEAN countries such as Malaysia, Singapore and Thailand are facing their own set of problems, especially from the "disruptive" technological developments in services, which are having a direct impact on employment creation in the services sector and overall economy. We are observing a transition from skills-based employment activities to "task"-based employment activities that are changing the type of jobs created and also the long-term employability of workers.

"Task"-based employment also makes it difficult to identify the future technologies for which to prepare workers. Technological developments in information and telecommunications are after all potentially "disruptive" to services activities at all levels. Artificial Intelligence and Industry 4.0 (industrial strategies based on digital economy and disruptive technologies) are likely to reduce the number of "tasks" required and create concentration and agglomeration effects in services. This will raise the demand for skill-based task activities and enhance the wages of skilled as compared to unskilled workers. Communication technologies such as smartphones will overcome distances and generate dispersion forces that will create linkages for different types of services and manufacturing activities.

This will increase the opportunities for developing countries to participate in the regional and global network. The interaction of these two forces (concentration and dispersion) will determine the type of "task"-based jobs that will be created (and destroyed) in services and in the domestic economy.

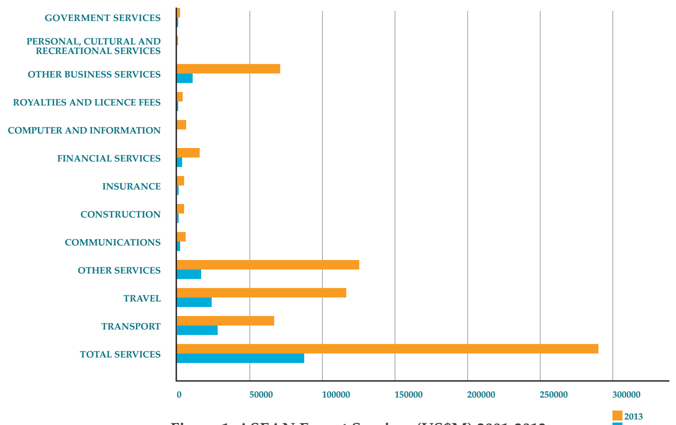


Figure 1: ASEAN Export Services (US$M) 2001-2013
Source: WTO Website

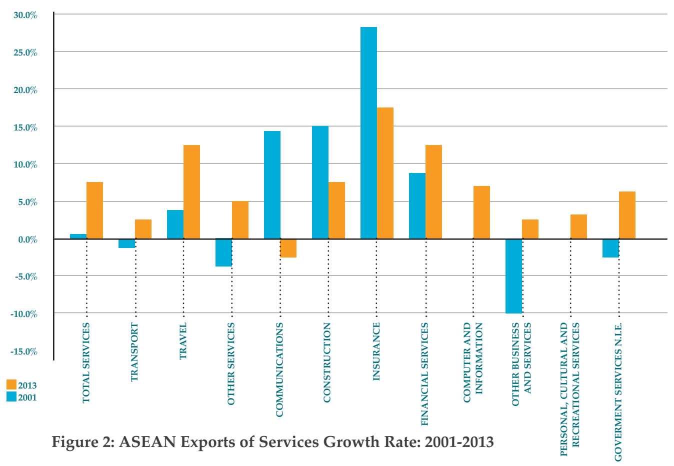


Figure 2: ASEAN Exports of Services Growth Rate: 2001-2013

As opposed to the traditional view that there are no productive activities in services, recent evidence indicates productivity improvements from participation in regional and global services supply chains. This is driven by the outsourcing and fragmentation of production as well the technological developments in the telecommunications industries. The outsourcing and fragmentation have increased the services linkages between industrial activities located overseas, thereby leading to strong growth in the services sector. In addition, there is greater innovation and technological development in service activities related to information and communication technologies that are reducing the cost of transaction across businesses and consumers, and increasing innovation in services.

However, there are several constraints and challenges standing in the way for ASEAN to fully exploit services supply-chain activities in the region and globally. For one thing, there is a clear lack of critical

New types of services such "driverless" cars, delivery services by "drones" and critical services in healthcare and professional services provided by "robots" and artificial intelligence, will appear. This will raise important policy questions on the types of skills that are needed in the future.

The services supply-chain will be crucial for regional integration and when well developed will allow countries in the region to participate effectively in the supply sector. Current regional free trade agreements are still lacking in services liberalisation measures that will be very fundamental for the next stage of growth of ASEAN economies.

Thus, there is a strong need to map the significance of key production factors, institutional reforms needed, and soft and hard infrastructure required for various stages in services supply-chain activities in the region, if all ASEAN countries are to fully participate in "new age" technologies and services.

BEHAVIOUR OF MALAYSIAN RINGGIT (MYR) RELATIVE TO COMPARABLE CURRENCIES, 1990-2016

PROF MOHAMED ARIFF
Senior Fellow, Jeffrey Cheah Institute

MEASURING THE INSTABILITY AND RISKINESS OF A CURRENCY

In the exchange rate literature, one common measure of the instability of a currency is its Relative Volatility (RVL) against a target currency of importance to policy makers. The riskiness of that currency is commonly measured by the interquartile range (IQR) of RVL.[1] The higher the IQR the higher the relative risk of a given currency against the benchmark currency. We study these two features of the currencies of five countries – Indonesia, Iran, Malaysia, Philippines, Turkey and the United Kingdom - relative to the US$ index because two-thirds of all international trades are settled in US$. The period of analysis is January 1990 to April 2016.

FINDINGS ON MYR

Chart 1 interprets the RVL of the Malaysian Ringgit (MYR). The straight line equal to 1.00 is the position of the US$ throughout the 1990-2016 period: US$ volatility divided by US$ volatility which is equal to 1.00. Hence, as the MYR wanes and rises against the US$, the plot of the MYR is either above (depreciating) or below (appreciating) the straight line.

The MYR in Chart 1 shows that up to 2005, the MYR has been appreciating against the US$ (depreciating only after the in 1997-99 because of the Asian Financial Crisis). In the period up to 2005, when there was a government with two-thirds parliamentary majority and its economic policies were generally good, the currency appreciated steadily as shown by the MYR line tracking below the US$.

From about the mid-2005, the MYR depreciated from RM 2.76 per US$ to RM 4.54 per US$ in 2016. In particular, the start of the largest depreciation of the currency was from October 2015 when five negative shocks hit the MYR: (i) concern about the 1MDB loan repayment issue; (ii) withdrawal of oil and sugar subsidies; (iii) imposition of 6% GST; (iv) the budget deficit widened to 6.5% before it began reducing slowly starting from 2009 and; (v) a slump in the petroleum revenue (which normally accounted for 12% of tax revenue).

Table 1 reports the values of RVL (volatility) and IQR (riskiness) for Malaysia and six other countries. The summary statistics show two things. First, the MYR ranks a far second in terms of the volatility, which is the reason for its riskiness. Second, the risk of MYR is three times larger than the average risk of the sterling pound (£) and the Singapore-Brunei dollar both representing developed countries.

The Filipino Peso is about half as risky as that the MYR, and the main reason is that the Peso has always floated freely despite the abysmal political instability of that country. Both the Indonesian and Iranian currencies are also half the riskiness of MYR.

CONCLUSION

The findings are quite clear. First, the volatility of MYR has two distinct periods. The first period was when the country was ruled by a government that pursued an industrialisation policy and established solid economic growth until 1997 prior to the Asian financial crisis.

The second period began at the end of solid economic growth in 2005. Thereafter, with the loss of two-thirds majority in Parliament, the confidence in the MYR appears to be waning. The MYR started declining in 2006 and continued steadily until 2014. In 2015, the MYR registered a higher decline in value even though the US$ weakened in the closing months of 2017. The MYR recovered to RM 3.90 as at end January 2018 but this rise is unlikely to last long if the US Federal Reserve raises interest rate by half a percentage point in mid-2018.

Furthermore, the riskiness of the MYR is about three times higher than developed country currencies and, even the currencies of some weaker economies such as Indonesia and the Philippines showed only half the riskiness of MYR.

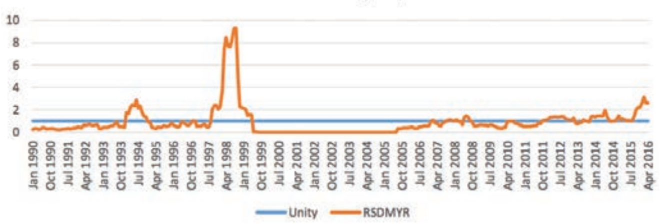


Chart 1: MYR/US$

	Rank Mean	Mean RVL	Median RVL	Rank Risk	Risk = 1QR
United States		-	-		-
United Kingdom	4	1.2971	1.1933	2	0.2623
Singapore	1	0.2220	0.1634	1	0.2220
Malaysia	2	0.8904	0.5661	5	0.7881
Philippines	3	1.0908	0.8434	4	0.4453
Turkey	5	2.0810	1.4243	7	3.0384
Indonesia	6	2.1318	0.9891	6	0.4823
Iran	7	3.3442	0.4278	3	0.3689

Table 1: Ranks by Mean and Median of Selected Currencies by Relative Volatility, 1990-2016

1 The relative volatility (RVL) is the ratio of the standard deviation of a currency x divided by the benchmark currency's (y) standard deviation as in this formula: . The following publication explains this idea at length as applied to few economies: Please see Ariff, M., and Zarei, A., (2018). "Exchange Rate Instability: Relative Volatility, Risk, Cointegration and Error Correction" in Campbell, D., Boubaker, S., and Duc Nguyen (eds) Quantitative Methodology for Financial Analysis. Edward Elgar Publishing, Northampton, MA, USA and Cheltenham, UK.

WHAT WE CAN LEARN FROM THE GLOBAL TRADE SLOWDOWN

PROF YEAH KIM LENG
Senior Fellow, Jeffrey Cheah Institute

The slow recovery in global trade since 2012 after the initial rebound from the unprecedented collapse during the 2008-09 global financial crisis has been the subject of extensive and ongoing research and conference deliberations across the world. The post-crisis trade slowdown is found to be widespread affecting 84% or 143 of 171 countries, according to a paper presented at the Bank Negara Malaysia-International Monetary Fund Summer Conference that was held in Kuala Lumpur for the first time in this region to discuss globalisation in the aftermath of the crisis.

Emerging and developing economies initially experienced milder trade slowdown but it became more severe during the period from 2012 to 2016 due to weaker imports in China and downturns in several large emerging economies. Reflective of the global trends, Malaysia's real imports grew at an average annual rate of 2.1% during this period while exports rose 1.3%, considerably lower than the 8 to 9% average annual growth in imports and exports achieved in the pre-global crisis period.

CHANGES IN LEVEL AND STRUCTURE OF DEMAND

A synchronised slowdown in the advanced and developing economies has been identified as one of the main causes of the trade slowdown. However, the drop in the output level could not fully account for the unprecedented collapse and subsequent slowdown in global trade. Changes in the composition of demand particularly, the shift from exports and investment to consumption in large economies such as China and the weak investment activities in the advanced economies, have also been found to be playing a key role in explaining the 'missing global trade'.

Investment activities have a higher trade component or 'trade-intensive' in nature compared to consumption. A slowdown in investment therefore leads to a stronger decline in the trade flows of capital and intermediate goods compared. Another compositional change is the steady shift to consumption of services, which are less traded, as income increases in developing countries.

CHANGES IN SUPPLY STRUCTURE

On the production side, besides the rise in supply of less-traded services, the slowdown in the fragmentation of the international production networks, the so-called global value chains (sometimes referred to as global supply chains), has been acknowledged as another important source contributing to the trade slowdown. In addition to the slower trade in intermediate goods as global supply chains and production networks mature, there is also emerging evidence of a rise in temporary trade barriers erected by many countries to protect domestic industries although its contribution to the recent global trade slowdown is not very large.

Fortuitously, the initially feared rise in protectionism during the early part of the global recession did not materialise. Nevertheless, the recent rise in trade restrictions could impede the flow of intermediate goods during the recovery period as global growth strengthens. This is because of the importance of the decline in trade cost and frictions as a key impetus to the strong trade growth during the pre-crisis period.

TRADE COSTS AND FRICTIONS

The strong rise in global trade is associated with trade liberalisation pursued by many countries during the 1980s and 1990s and the entry of China into the World Trade Organisation in 2001. Empirical modeling of the trade costs associated with protectionist policies and non-tariff barriers shows that they can explain between 10 to 25% of the global trade slowdown.

IMPLICATIONS

The strengthening of global output in 2017 augurs well for a pick-up in global trade given that weak economic activity is found to explain three-quarters of the global trade slowdown since 2012. The strong expansion in Malaysian exports and imports this year is reflective of the recovery in global demand. Consequently, the short term prognosis of Malaysia's trade prospects remains favorable with positive spillovers to GDP growth outlook.

The obvious question in the minds of policy makers and industry leaders is the strength and durability of the rebound in global economic activity. Given a better understanding of the causes of the global trade slowdown, an accurate assessment of the current global growth trajectory will require a good prediction of the changing patterns of demand, especially in the large economies like China, as it shifts to a consumption-led economy. Importantly, the large role of trade liberalisation and trade costs in explaining trade, and the positive feedback effects of trade on growth, suggests that markets should be kept open and efforts to reduce trade costs and impediments will generate positive growth dividends.

SUNWAY UNIVERSITY TAKES ON CHALLENGES AHEAD

PROF TAN SRI DR GHAUTH JASMON
Senior Fellow, Jeffrey Cheah Insitutute and Board Member, Sunway University

On 30 January 2018, Sunway University's Chancellor Jeffrey Cheah brought together its board and senior members of the senate for a strategic planning workshop. With more than 398 universities and private institutions now found in the country, the field of higher education has become crowded. Furthermore, government support for public institutions has dwindled by an average of 20% since 2015, and PTPTN loans continue to be tightly controlled.

Dato' Sri Idris Jala, the new Pro Chancellor and the newest addition to the Sunway University Board, used his business coaching outfit to facilitate the workshop.

The workshop succeeded in defining new pathways for the university to pursue. They are:

1) Sunway University aspires to be justifiably known as the 'Harvard of the East' and focus on competing successfully in world university rankings.
2) Sunway founder Tan Sri Jeffrey Cheah has placed the education group under a nonprofit trust tasked with growing successively in order to meet growing needs.
3) Quality research in frontier areas is to be conducted. For that, Sunway University has to continue to recruit top-class academics and researchers from all over the world.
4) High-quality teaching is to be uncompromisingly maintained. Most encouragingly, the university's graduates have report edly been finding it easy to gain employment.
5) Collaboration with top institutions will continue, and initiatives such the dual degree and exchange programmes developed with Cambridge University and Harvard University will be expanded.
6) The future of Sunway University will depend on prudent financial management of its endowment.

The above summarises the strategic workshop outcomes, but to my mind Sunway University's journey to global prominence shall require it to address two major challenges.

Firstly, a sufficient fund base should be attained, and sustained. Tan Sri Jeffrey Cheah has placed the university under a non-profit foundation, which is encouraging to donors and stills any qualms that they may have. What Sunway needs now is a specialised team that is entirely focused on generating new sources of income. It should learn from how highly endowed universities in the world function, and should not focus too much on raising funds from its alumni, or on directing its academics to monetize patents or conduct more fee-charging courses. Fund raising should remain mainly non-educational and more traditional in nature, and involve engagement in fields such as private healthcare, agriculture, and property etc. Regionally, the successful models to study would be universities such as Thailand's Chulalongkorn and Mahidol.

The second long-term challenge regards how the university is to function in the approaching era defined by Artificial Intelligence (AI), Big Data and the Internet of Things (IOT), the so-called key enabling technologies of the Fourth Industrial Age. It is predicted that in less than 20 years, many institutions worldwide will become irrelevant. Initiatives such as the consortium of more than 20 leading universities developing Massive Open Online Courses (MOOCs) to provide free on-line education will one day drive many institutions worldwide out of business. Fee-charging institutions may gradually become obsolete as paper qualifications become cheaply obtainable from structures such as the MOOC consortium. The challenge for Sunway University is to develop capability in the enabling technologies for teaching and learning and aim to be counted in this global MOOC grouping so as to become a global education provider. The days are numbered for the 'talk and chalk' way.

IS MALAYSIA STUCK ON THE CYBER HIGHWAY'S SLOW LANE?

DATO' DR OOI KEE BENG
Senior Fellow, Jeffrey Cheah Institute
Executive Director, Penang Institute

I remember working as Webmaster at the Department of Oriental Languages at Stockholm University in the early 1990s. All I needed to do my job back then was some basic knowledge of HTML, and the support of a computer technician.

The browser that was available then was a nifty little thing, but what is curious now is how little there was on the Internet back then. What one could do was go to sites to download simple games, and pictures. The main search engine—Alta Vista—was useful, though not a very exciting application. Anyway, there was not much to search for. And web sites were often extremely boring.

Furthermore, the computer would crash a dozen times a month, if not a week.

But all that was yesterday. All that was another century. Just two decades down the road, developments in information technology have overwhelmed us, changing how we orientate ourselves in the world, how we access knowledge, how we communicate with friends, and in fact changed what we mean by "friends". Emoticons and weird acronyms now take the place of emotive words.

I could say today that I could see it coming. But that would be true only to a small extent, and to a increasingly smaller extent as each day passes, I would add. There is much that has happened in the world of ICT, which one could not have expected, and more will happen that will be even less expected, or imaginable today.

But in short, connectivity is now the functional aspect of most things being manufactured, and of most services being rendered. The Internet of Things is an apt description of our world in the not-too-distant future. The world is becoming electronically connected and remotely controllable - that is uncontroversial. However, it is happening at such a pace, on such an exponentially steep curve, that not only individuals, but also all our social routines and all our collective ways of thinking are being outmoded, "out-teched", as it were.

QUITE BEYOND COMPREHENSION

The thing is, our concepts and our habits of thought are being brushed aside so quickly, and so thoroughly, that we cannot really fathom it. That is the problem most of us face today. We are all conservatives now by virtue of us not being able to absorb the manifold aspects of the changes brought upon us by, in short form, Industrial Revolution 4.0. And these changes are going to be comprehensive, and unforgiving.

As with attendees admitting their addiction at Alcoholics Anonymous meetings, the first thing all of us, and I include the young and tech-savvy as well, need to do is to admit that the changes washing over us are beyond our ability to comprehend or embrace. At best, we can individually become functionally versed in some aspects of some technologically disrupted area of social, economic or intellectual life. That's about it.

Individually, we have to admit that it is a personal problem, even if it is also a collective and a global one. It is personal because we are talking about a paradigm shift that is conceptual, concrete, and profoundly lifestyle changing.

The big challenge lies in dropping routines that we have become comfortable with, and discarding ideas that we are deeply fond of. "Revolution" is indeed the right word to use for the opening of the sluice gates of ICT. It is no longer about knowledge transfer or communication, which was what we thought when the Internet became part of our daily home and working life. It is about the inter-activation of—the breathing of life into—the grid of machines and the network of social behaviours that urban life and modern economics have created the last couple of centuries.

And as with all new eras, we are already mired in it before we even notice it. We shop on Amazon, which is one of those online companies that managed to grow from strength to strength by being daring and foresighted; we find our way in ever bigger cities through amazingly accurate GPS systems, we obtain information through stunningly useful search engines; we book our flight tickets and hotel rooms from home, and we are now free of exasperating waits at banks. In fact, we are one step away from going cashless already.

Even closer at hand, the smartphone that is now our constant companion, is only about 11 years old; WhatsApp, with which we so cleverly organize our contact network, is 9 years old, as is Airbnb, with which we choose spontaneous stays in strange towns we would not have bothered visiting before. And yes, the car-hailing Uber is eight years old, and Malaysia's incredibly successful Grab app is only two years younger. Our kids' current favourite app, Instagram, may have taken a while to take off properly, but it is nevertheless only 7 or 8 years old.

Text messages are now extremely stunted, and used only if pictures do not suffice, which they often do in a world overflowing with information. Compared to these recent apps, Facebook, launched as it was already in February 2004, is really for the old and tech-tired. Twitter isn't much younger either. Its first proper prototype began working already in the spring of 2006. And Skype…I haven't heard that platform mentioned in quite a while, but then, it is even older than Facebook, and by a whole year.

MALAYSIA SLOWING DOWN?

What all this means is that the potential for a country's citizens to compete in the future can be easily measured through international comparisons in broadband speed and price, and through the Internet penetration rate. So how does Malaysia fare here?

Voter behaviour in recent elections in Malaysia did show that Malaysians are rather tech-savvy people. This is despite the fact that Malaysia ranks lowly on broadband speed, at 63rd in the world and 10th in Asia-Pacific in 2017; and its telecom services are considered among the most expensive in the world.

To be sure, in 2005, the internet-penetration rate in the country was already at 48.6%, a rate reached by Asia-Pacific as a whole only at the end of 2017. But things have slowed since then. No doubt, by 2016, 68.6% of Malaysians—about 22 million—had Internet access, but the growth had only been about 3% over the last five years! If we consider that the number of Internet users in the world increased by 5% last year alone, then one has to worry about investment priorities in the country.

As a reality check, the average Internet speed in Malaysia in early 2017 was 8.9 Megabits per second (Mbps), while neighbouring Singapore boasts an average speed of 20.3 Mbps. Of course, the island state hardly has any rural districts to accommodate, but the fact remains that investment in the future of the country, for the sake of the economy and for the sake of fairness, should aim for as many of its citizens to have acceptably good access to the Internet as possible, and as quickly as possible. That priority should be clear to anyone who has experienced the speed at which the innovations mentioned above are changing our lives. And more are coming, and at a more disruptive rate. There is no time to waste.

All this is a big threat only for countries that do not invest wisely and do the obviously necessary, and the fact that Malaysia's development expenditure for 2018 reached a proportionately record-low level is serious cause for worry.

Sweden launched a nation-wide project to achieve 100% Internet penetration, and this was back in the early 1990s. It is now reaping the benefits of that foresight. There is really no reason why Malaysia cannot push for, say an 80% Internet penetration rate by 2020, which is what Europe as a whole has today, and then aim for 100% a decade down the road.

The technology is there; all that is needed is strategic sense, curbed corruption, and long-sighted non-partisan statesmanship.

HISTORICAL AMNESIA OF THE SCIENTIFIC MIND IN SOUTHEAST ASIA

CLARISSA AI LING LEE
Research Fellow, Jeffrey Sachs Center on Sustainable Development

When the esteemed Science journal ran a thematic focus on the status of science and technological development in ASEAN in its March 6, 1998 issue, in the aftermath of the 1997 financial crisis, it was a rare spotlight thrown on a crucial issue affecting the region. Such a discussion, even now, twenty years later, remains exceptional.

The overall scientific and innovation culture in ASEAN is indeed unremarkable, even though the ASEAN Permanent Committee on Science and Technology (PCOST) was established in Jakarta back in 1971. Renaming it the Committee on Science and Technology in 1978 (COST), and tagging on "Innovation" in 2016, have not changed the dynamics in any noticeable way.

IS 1998 DIFFERENT FROM 2018?

The factors that stymied the scientific development of ASEAN 20 years ago are still relevant today. These include: low levels of scientific literacy (and quality science education); disincentives (not just in monetary terms) for those considering a career in science or advancement to a higher level of scientific expertise); economic hardships (budget cuts to universities); autocratic forms of governance; and the ever-yawning gap between policy and implementation. Malaysia, for instance, may have built impressive technological infrastructures under the Mahathir regime, but the country has not attended to basic science research or strengthened its indigenous scientific culture. An Indonesian scientist had noted a lack of motivation among Malaysian scientists for doing more than the minimally necessary.

The World Bank and first-world economies gave millions of dollars to Thailand, Indonesia and the Philippines (among the countries hardest hit by the 1997 crisis) in 1998 to raise the quality of instruction in STEM fields across the board – an act of science diplomacy that was not alien to the region. It was science (and technological) diplomacy that had brought the Atoms for Peace programme and other programmes of knowledge transfer to ASEAN between the 1960s and 1990s.

Sad to say, a narrative on science, technology and innovation in ASEAN, which is obsessed with the metrics of rankings, patents, and quantifiable knowledge economy, precludes other important considerations such as the two discussed below.

SCIENTIFIC MODERNITY IN SOUTHEAST ASIA

The first concerns scientific modernity's entry into Southeast Asia. Scientific modernity represents the point when science as we know it today had undergone a separation from natural philosophy, and the production of scientific knowledge was institutionalized and professionalized. But for all, scientific modernity still drew on the cumulative intellectual culture that had preceded it in order to continue developing. All Southeast Asian countries (except Thailand) were colonised until after the Second World War. So, it should be no surprise that technological innovations for governing the colonies were given primacy over scientific inquiry. Having colonized peoples engage in scientific inquiry could potentially instigate critical thinking. One can look to India's political and scientific history as an example of this.

And so, the science education imparted during colonial times was merely sufficient for training a cadre of technicians to maintain the technologies brought over by the colonizers, without much possibility for further improvement or advancement. Technology, in this case, was a construct for easing the colonialist's day-to-day business without adding to deeper epistemic awareness among the colonised.

There was no doubt that an educated class existed in the colonized areas, those who attended the universities of their colonizers, but the idea of scientific modernity, as the knowledge practice of an autonomous and sovereign state, could not properly take hold in Southeast Asia. Participation in scientific modernity requires the state player to have an assured knowledge identity, which translates into awareness of its knowledge traditions in relation to the rest of the world. Although Thailand was not colonized, it was nevertheless neither immune to imperialist overtures and influences nor to internal struggles when reconciling its own knowledge traditions with the ones received from Europe. Therefore, one can claim that scientific modernity did not quite materialize in Southeast Asia until the second half of the twentieth century, when all the countries in the region had attained political sovereignty.

SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

The second consideration followed in the wake of decolonization, which was actually a repeat of the imperialist agenda: science and technology were now aimed at socio-economic development, which immediately meant the marginalizing of efforts to tackle the fundaments of scientific knowledge. By the 1960s, the young governments of ASEAN had bought into the doctrine of science as a handmaiden to technology; instead of technology as a natural outcome of scientific improvements. This attitude is tellingly in contradistinction to the approach taken by developed economies. It may have been expediency, and the pressure to catch up, that is to blame. But whatever the case may have been, developing states became technically dependent on developed nations and never became equal participants in scientific modernity. The technical knowledge transmitted was sufficient for maintaining the use of the technology but insufficient to reverse-engineer or improve on existing forms of indigenously produced technologies.

This is not to say that no real innovations took place at the local level. If nothing else, resource and financial constraints led the more dedicated scientists and technologists to seek cheaper and more efficient ways of doing things. Unfortunately, few of these have been translated into major scientific breakthroughs. Singapore, in having attained the status of a developed nation, realized its weakness in fundamental scientific research and began in 2007 to address this shortfall. However, as there was insufficient indigenous expertise to help the country move up the value chain in scientific production and university rankings, the state had to import many of its talents at high costs – an act that is of questionable sustainability over the long term if the rate for developing local talent is not stepped up. On the other hand, poorer ASEAN countries such as Myanmar, Cambodia and Laos remain in a vicious circle of dependence stemming from their continuous need for foreign aid to uphold the welfare of their largely impoverished citizenry. In the case of Myanmar, although it initiated scientific programmes already in the late nineteenth century, ahead of today's more developed ASEAN states, military rule forced its scientists into isolation and cut them off from interacting directly with their peers elsewhere.

Today, Singapore, Thailand, Vietnam and Malaysia are doing better than their neighbours. Singapore, Thailand and Vietnam have been pursuing scientific collaborations that span multiple continents and areas of research. China and South Korea are now joining Japan and Taiwan as science diplomats of the East in their outreach to the Southeast Asian scientific communities to encourage the latter to utilize newly inaugurated instruments for doing scientific experiments.

LEVERAGING MEASURABLE SDG INDICATORS FOR PRIORITISATION AND PROBLEM SOLVING IN THE ASEAN CONTEXT

ANDREW FAN CHIAH HOWE
Senior Analyst, Jeffrey Sachs Center on Sustainable Development

"If you can't measure it, you can't improve it". This is the famous quote from Peter Drucker, the world renowned management guru. The quote has had a profound impact on the thinking and practice of businesses around the world. Revenue, return on investment, capacity utilisation, customer acquisition cost, inventory turnover, employee satisfaction are but just a few of a myriad of indicators that are used to measure the health of a business, identify areas for improvement and affect change.

HISTORICAL CONTEXT OF THE SUSTAINABLE DEVELOPMENT GOALS

Recognizing the value of measurement and indicators to institutional effectiveness and delivery of quality products and services for the consumer, the international global policy making community initiated the Millennium Development Goals (MDG), the first set of global goals with measurable indicators in 2000. The MDG covered eight goals, namely: eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality; improving maternal health; combating HIV/AIDS, malaria and other diseases; ensuring environmental sustainability; and developing a global partnership for development. By prioritising the most pressing issues and mobilising global resources towards those priorities, the MDG have successfully created positive outcomes for people across the world. For example, through various programs, the MDG has uplifted more than 1 billion people from extreme poverty. In addition, it is estimated that at least 21 million lives for the period 2000 to 2015 have been saved, through improved health care which reduced child mortality, maternal mortality, incidences of HIV/AIDS, and tuberculosis.

As a result of the positive outcomes achieved under the MDG, an effort was initiated in 2012 to develop a new set of goals and indicators to succeed the MDG post-2015. This process culminated in the formulation of the Sustainable Development Goals (SDG), a set of 17 global goals, 169 targets and 232 indicators, which were endorsed as a United Nations Resolution on 25 September 2015. As a concept, the SDG is significantly more ambitious than the MDG. Firstly, it builds upon the MDG by embracing its eight goals, but sets higher and more meaningful targets. For example, the goal for poverty has been increased from eradicating extreme poverty to no poverty, period. The goal for universal primary education has been elevated to quality education for all. The goal to ensure environmental sustainability has been segmented into four different SDG goals, namely affordable and clean energy; climate action; life below water; and life on land to provide more focus and tailored solutioning. Moreover, new development dimensions such as clean water and sanitation; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; responsible consumption and production; and peace, justice and institutions have been added to make the SDG framework a holistic toolkit for overall human and ecological development, that is applicable to the current context of a more globalized and technologically driven society and better meets the increasing aspirations of the global citizenry, especially the young.

THE IMPORTANCE OF DATA AND MEASURABLE INDICATORS

Whilst the 17 SDG goals are comprehensive and appropriate, the application of the 232 indicators as updated by the UN Statistics Commission on 15 December 2017 remains problematic because many of the indicators still have no data and hence are not measurable. As of 15 December 2017, 68 of the indicators are classified as Tier 2 meaning that more than 50% of countries are unable to provide regular data. To make matters even more complicated, 66 of the indicators are classified as Tier 3, meaning that the United Nations is still in the process of defining the indicator in a manner which is practical and can be accepted globally.

Recognising that indicators that are not measureable carry no applicable value as they cannot be analysed to develop solutions, the UN Sustainable Development Solutions Network (SDSN), a network of universities and research institutions, formulated the SDG Index in 2016, which is an indicator framework that leverages upon globally available authoritative data to define 99 indicators to represent the current progress of the 17 goals for 157 countries. Based on these measurable indicators, SDSN together with technical experts have developed a "traffic light" system to identify "Red" major challenges indicators, "Yellow/Orange" significant challenges indicators and "Green" indicators which means a good standard has been achieved. In Malaysia's case, based on the SDSN SDG Index 2017, there are major challenges in stunting, nitrogen management, tuberculosis, traffic deaths, seats held by women in parliament, CO2 emissions, biodiversity loss caused by imports, and sustainable taxation.

TRANSLATING MEASUREMENTS INTO OUTCOMES FOR ASEAN'S PEOPLE AND ECOLOGY

In 2018, the Jeffrey Sachs Center (JSC) made a commitment to develop the ASEAN SDG Index which intends to extend the work of the global SDSN SDG Index for the betterment of the people in ASEAN and their ecology. As 2030 - the final year of the 2015 SDG agenda - is not very far away in a policymaking and implementation timescale, JSC has decided to focus its resources on analysing the SDG indicators to develop practical and value adding solutions which can be considered for implementation by Governments and private sector stakeholders in the region. This is in lieu of directing JSC resources on primary data gathering efforts which can be more effectively performed by other entities such as Government agencies who have the regulatory mandate to collect data and the necessary manpower. Notwithstanding this, JSC continues to provide consultation to Government agencies on the collection and reporting of SDG data at the national and local level.

With the strategic clarity to focus on developing practical policy recommendations, the ASEAN SDG Index team is currently preparing 3 white papers in its first phase of work. Guided by the SDG Index 2017, the selected high priority "Red" topics are "Loss in biodiversity and forest cover", "Stunting" and "Addressing high CO2 emissions through more efficient electrical production and distribution". The work for the white papers is in its early stages and is expected to be completed in the middle of 2018. However, preliminary analysis of the issues already demonstrates the relevancy and accuracy of the "Red" major challenges highlighted by the SDG Index 2017. For example, loss of biodiversity as indicated by the SDG Index is based on International Union for Conservation of Nature's Red List Index (RLI).The RLI demonstrates the status of threatened species of four taxonomic groups: birds, mammals, amphibians, and corals. There are several threatened keystone species that can be identified through RLI, such as the Malayan Tiger, Malaysia's national animal, whose numbers in the wild have dramatically fallen from 3,000 in 1950 to 250 currently. In addition, declining forest cover is a severe problem in Malaysia that not only affects land use change but loss of biodiversity due to the defragmentation of the natural forest. Illegal poaching has also been identified as an immediate threat to the dwindling numbers of endangered megafauna in the country.

Another major challenge which the 2017 SDG Index has guided JSC to look into is stunting. Scientifically, stunting is a sign of child malnutrition as measured by a child below the age of 5 years who is more than 2 standard deviations lower than the required height standard specified by the World Health Organisation. In recent years, the level of stunting amongst Malaysian children has stagnated at around 20%. This contrast against other East Asian countries such as Thailand (10.5%), China (8.1%), Singapore (4.4%), and South Korea (2.5%). Children who are stunted are at risk of not reaching their full physical and mental potential as an adult. This is an outcome that is not acceptable for any responsible society. Preliminary evidence shows that stunting is highly correlated with lower household income, however deeper analysis is required to understand the causes of stunting in various communities in Malaysia before specific recommendations can be formulated.

The third area being studied by JSC was initiated by the SDG 2017 Index's observation that Malaysia ranked poorly in terms of carbon emissions per capita. Analysis of the current situation showed that Malaysia's carbon emission level at 8.0 tonnes per capita is higher than that of other upper middle income countries which is 6.0 tonnes per capita. One reason for Malaysia's higher carbon emission level could be because between 2001 to 2015, the share of coal used to produce electricity in its power system has increased from 12.5% to 42.3%. Another possible area of improvement is the energy loss on our transmission and distribution system. For each joule of energy supplied, 5.9% is lost before it reaches the consumer. This is a high level of inefficiency in comparison with other East Asian countries with significant manufacturing activity such as Japan (4.1% loss), South Korea (3.3% loss) and Taiwan (3.2% loss).

JSC is very honoured to have the opportunity to research and solve the "Red" major challenges indicated by the SDG Index 2017. It is our view that resources of society, which is always limited in practice, should be channelled to solve the most problematic areas to alleviate the most significant "Pain Points" affecting our people and ecology. The SDG Index 2017 has demonstrated its usefulness in guiding JSC to focus on 12 major challenges out of the 99 measured indicators, hence saving JSC a significant amount of time to select research priorities which can deliver the most positive impact to society.

Currently, we are in the process of understanding more deeply the root causes of the "Red" issues, hence it is too early for JSC to define specific practical solutions for consideration. More work is needed to syndicate with NGOs, experts and Government officials to deepen our understanding on the issues on the ground and limitations of existing plans which may need to be refined. In parallel, JSC will also be studying best practices from around the world to assess how effective they are in creating positive outcomes and how they could be adapted in Malaysia's context. Through these 3 white papers, forming our first phase of work for the ASEAN SDG Index, we hope to meaningfully accelerate Malaysia's journey towards achieving "Green" standards for SDG goals by 2030. In our following phases of work, we plan to solve the outstanding "Red" major challenges in Malaysia and to collaborate with SDSN partners in other ASEAN countries to jointly resolve their "Red" major challenges.

JOINT JCI-MEA ECONOMIC SEMINAR SERIES: REVISITING THE NEW ECONOMIC MODEL – LAGS AND PROSPECTS

The Jeffrey Cheah Institute on Southeast Asia at Sunway University (JCI) and the Malaysian Economic Association (MEA) co-organised four seminars between 1st August and 31st October 2017 to discuss the state of the Malaysian economy and the policy reforms required to put it on a renewed growth path that is faster, fairer, and environmentally friendlier.

Malaysia initiated the Wawasan 2020 project in 1991 to bring Malaysia to "developed nation status" by 2020. The Wawasan 2020 project made good progress until the 1997-1998 Asian Financial Crisis (AFC). The alarming subsequent development was that the economic performance of Malaysia in the post-AFC growth had been anaemic, keeping Malaysia substantially below the growth trajectory that would make Wawasan 2020 a reality.

The series, featuring top economists, put forward policy directions and new implementation mechanisms that should be adopted in order to restore economic dynamism and help inform the formulation of the Transformasi Nasional 2050 (TN50) blueprint.

SEMINAR 1
THE MALAYSIAN ECONOMY: WHERE ARE WE?
1 AUGUST 2017

SPEAKERS:
- **Tan Sri Dato' Dr Lin See-Yan**, *Sunway University*
- **Datuk Dr Awang Adek Hussin**, *PNB Research Institute*
- **Prof Dr Rajah Rasiah**, *Faculty of Economics and Administration, Universiti Malaya*
- **Dato' Latifah Merican Cheong**, *Malaysian Economic Association*

From Left to Right: Dr Chalongphob Sussangkarn; Dr Muhamad Chatib Basri, Prof Yeah Kim Leng, Prof Woo Wing Thye, Prof Lu Ming

Malaysia's economy grew at an annual average rate of 7.7% in the 1970 - 1997 period, and the official growth expectation was for an average of 7.5% in the 2001-2010 period. However, growth averaged at only 4.6% annually between 2001 and 2016. The panellists concurred that Malaysia is currently caught in a middle-income trap as the real economy has lost its edge, the symptoms of which include: investment slow-down; low productivity and technological innovation; poor currency performance; absence of upgrading in the manufacturing sector; and high rates of youth and graduate unemployment.

Tan Sri Dr Lin See Yan explained how current economic policies stimulate short term growth rather than undertake structural reforms that can restore economic dynamism. He recommended imperative reforms in the areas of labour, fiscal and education policies. These include a modern labour market that is designed for improvements in productivity; and a tax system that reduces the incidence of indirect taxes on the middle class. The highest priority, he said, should be on increasing innovation through better education, talent retention and a creative ecosystem.

Datuk Dr Awang Adek Hussin hailed Malaysia's performance given the difficulty of doing significantly better than the current global norm of low growth. He nevertheless acknowledged that Malaysia is plagued by low labour productivity, where labour productivity growth has halved to 1.9% for the 1998 - 2015 period compared to 3.8% for the 1971 - 1997 period. This presents a major challenge as Malaysia seeks to adopt the path of advanced countries of shifting from manufacturing to services. He proposed a new policy goal of a large expansion in R&D-driven manufacturing.

Prof Rajah Rasiah emphasised Malaysia's high dependence on importing intellectual property and cited governance as the main inhibitor of innovation. Drawing from the experiences of Korea, Taiwan, Japan and Singapore, Prof Rajah called upon the Malaysian government to set up a strong appraisal mechanism when funding innovation-promotion programs. Policy-induced rents to spur innovation cannot succeed if there is inadequate oversight to weed out non-performers.

Dato' Latifah Merican Cheong opined that Malaysia's regression in many areas is due to the interference of vested interests and the lack of a political will to reform. She said the private sector must be the main driver of economic growth, warning against allowing GLCs to crowd out private firms. She recommended that the National Development Policy Council be reinstated to drive the implementation of challenging policies to reform the Malaysian economy.

SEMINAR 2
LESSONS FOR MALAYSIA FROM THE REFORM EXPERIENCES OF OTHER COUNTRIES
25 AND 26 AUGUST 2017

SPEAKERS:
- **Prof Lu Ming**, *Center for China Development Studies, Department of Economics of Antai College of Economics and Management, Shanghai Jiao Tong University*
- **Dr Chalongphob Sussangkarn**, *Thailand Development Research Institute (TDRI)*
- **Dr Muhamad Chatib Basri**, *Indonesia*
- **Prof Woo Wing Thye**, *Jeffrey Cheah Institute on Southeast Asia*

Cognisant that doing more of the same for the economy will not sustain Malaysia's growth trajectory, this second seminar sought to adopt and adapt policy successes of other countries by dissecting the reform experiences of China, Indonesia, Poland, Russia and Thailand.

Prof Lu Ming shared how a key strategy for China to overcome slowing economic growth was greater urbanisation and expansion of economic activities in cities close to seaports. This strategy of expanding cities and regional corridors can enable governments to reap the benefits of agglomeration and accelerate economic growth.

Gleaning from China's experience, Prof Woo Wing Thye proposed for greater fiscal and administrative decentralisation in Malaysia to empower states to compete and take new policy initiatives to drive economic growth. Furthermore, this policy develops local leaders to widen the pool of competent talent for leadership at the national level. Prof Woo also drew from the reforms of central economic planning in Eastern Europe and China to demonstrate how successful reform lies in identifying the right country-specific initial conditions to undergird the reform process, instead of the usual focus on the speed or approach (big bang or gradualist) to reforms.

According to Dr Muhamad Chatib Basri, the Indonesia experience has demonstrated how the key to successful reforms is working creatively within institutional and political constraints. Times of looming economic crises could serve as "political windows" for reform when politicians are more likely to heed the advice of technocrats. Highly complex reforms with longer term impact should be tackled only after political credibility has been built through successful implementation of policies with high rates of success in the short run – here, policy "best-fit" takes precedence over policy "best-practice".

Dr Chalongphob Sussangkarn highlighted the importance of building strong institutions that are endowed with suitable legal powers for its leaders and operations to be independent from interference by politicians, as exemplified by Thailand's success in obtaining the independence of its central bank. These institutions will then be able to implement reforms amidst on-going policy conflicts with and between different government agencies.

From Left to Right: Prof Dato' Dr Tan Tat Wai, Prof Dwight H. Perkins, Prof Edmund Terence Gomez, Dr Muhammed Abdul Khalid, Prof Woo Wing Thye

SEMINAR 3
POLICY IMPERATIVES TO DRIVE FUTURE GROWTH
7 AND 9 SEPTEMBER 2017

SPEAKERS:
- **Prof Dwight H. Perkins**, *Harvard Kennedy School*
- **Prof Edmund Terence Gomez**, *Faculty of Economics and Administration, Universiti Malaya*
- **Prof Dato' Dr Tan Tat Wai**, *Sunway University*
- **Dr Muhammed Abdul Khalid**, *DM Analytics Malaysia*

This seminar discussed the reform priorities that would be required to sustain the growth trajectory of the Malaysian economy towards achieving the outcomes of Wawasan 2020 and informing the formulation of Transformasi Nasional 2050.

Prof Dwight Perkins acknowledged the good performance of the Malaysian economy but urged policymakers to focus on creating world-class universities in order to produce the human capital needed to drive an innovation-based economy. He highlighted the two key factors driving the success of universities in the United States and South Korea: meritocracy in the selection of its leaders; and the recruitment of faculty members and students from around the world. He called for the abolishment of preferential policies and practices in Malaysia to allow universities to upscale research and development and foster innovation.

Prof Edmund Terence Gomez shared findings from his research which revealed how seven Government Linked Investment Companies (GLICs) contributed to 42% of the total market capitalisation of Bursa Malaysia in 2013. These firms, controlled by the Ministry of Finance Inc., have strong and growing influence over key sectors of the economy including property development and construction; banking; and media. Prof Gomez proposed for the duties of the Prime Minister and Minister of Finance to be segregated; greater institutional autonomy for oversight bodies (e.g. the central bank, the Malaysian Anti-Corruption Commission and the Securities Commission); and the review of ethnic-based policies in business such as the Bumiputera Economic Empowerment plan announced in September 2013.

Prof Dato' Dr Tan Tat Wai emphasised that a reform priority should be the review of labour policies. He discussed the adverse impact of Malaysia's dependency on foreign labor and called for an end to the policy of protecting unskilled jobs. He proposed for a "carrot and stick" approach using policy incentives and enforcement to shift businesses from over-reliance on cheap labour to investing in research and development for product innovation and longer term competitiveness. He also believes that improved data accuracy on formal and informal foreign workers will better inform policy interventions. With rapid digitalisation and automation taking place in business processes, universities in Malaysia need to produce graduates with relevant skills to match the evolving needs of businesses.

Dr Muhammed Khalid opined that Malaysia has been too obsessed with the notion of becoming a high-income nation and has lost sight of the more important goal of inclusive economic growth. The growing share of low-skilled workers, stagnating wages and rising unemployment represent major issues. Dr Muhammed called on the government to re-focus its policy priority towards tackling poverty, which remains prevalent in East Malaysia and among the aged and child sub-groups. He also argued for the reform of fiscal policy through fairer taxation to increase development expenditure and to channel more resources to the poorer regions.

SEMINAR 4
THE REFORM PROGRAM FOR DYNAMIC SUSTAINABLE DEVELOPMENT
31 OCTOBER 2017

SPEAKERS:
- **Prof Jeffrey D. Sachs**, *Center for Sustainable Development, Columbia University; UN Sustainable Development Solutions Network*
- **Tan Sri Datuk Dr Kamal Salih**, *Universiti Malaya*
- **Prof Woo Wing Thye**, *Jeffrey Cheah Institute on Southeast Asia*

The final seminar in the series addressed the urgent imperative for sustainable development for Malaysia. Technological upgrade; economic and resource governance; income distribution; and institutional design were given primary focus.

Prof Jeffrey Sachs warned that when it comes to harnessing technology, standing still is no longer an option for Malaysia. Malaysia needs to rise up and be part of the massive data & information revolution that is taking place – one that leverages smart machines, robotics and electronic means of doing business. Prof Sachs predicted that technology companies will dominate the economy, and big oil and big coal players will eventually be reduced to insignificance. He urged Malaysia to overhaul its energy sector from one that is heavily dependent on fossil fuels to one that leverages renewable energy. The biggest problem, he said is not technical, but one of resistance, where like the United States, Malaysia has a big oil industry that is powerful politically. It is, therefore, not the lack of alternatives but the opposition to the incumbents that is the biggest barrier to change.

Tan Sri Datuk Dr Kamal Salih said that Malaysia's extremely vast divide between the top 10% and bottom 50% has deep systemic roots, and this bears upon Malaysia's potential to develop sustainably. He emphasised that income disparity among Malaysians today is not due to inter-ethnic income differences but to differences within each ethnic group, which relates to differences in opportunity and competency. He strongly believes that there is no longer justification for race-based economic policies, warning that such policies will retard growth prospects. Instead of using transfers and subsidies to help the B40 (bottom 40 percent), he proposed that Malaysia should instead improve income distribution, citing the negligible redistributive impact of BR1M as compared to that of minimum wage, which can support a basic standard of living.

Prof Woo Wing Thye highlighted that a major institutional flaw that undermines sustainable development in Malaysia is the over-centralization of fiscal power and administrative governance at the Federal level. He said that the thirteen states should not have to depend almost entirely on the federal government for fiscal transfers to finance their expenditure, and instead the federal government should transfer the collection and use of taxes to the states; allow states the right to borrow for development projects; and devolve more administrative functions to the states. Concentration of fiscal power in the federal government has resulted in development occurring disproportionately in the Klang Valley. Prof Woo believes that Malaysia must embrace institutional reforms to restore economic dynamism and national cohesion, including creating economic institutions that will permit widespread growth.

NAVIGATING THE HEADWINDS OF SUSTAINABLE DEVELOPMENT IN ASEAN

THE INAUGURAL ASEAN MINISTERS WORKSHOP,
25-26 APRIL 2017


Dr Bambang Brodjonegoro, Minister of National Development Planning of Indonesia speaking on Indonesia's experience of implementing the SDGs

The launch of the Sustainable Development Goals on September 25, 2015 coincided with the onset of new phases in the national developmental plans of a number of ASEAN countries, specifically Malaysia, Indonesia, Vietnam, the Philippines, Thailand and Lao PDR. Most of these states adopted a separate roadmap for the achievement of the SDGs in addition to their national developmental plans, with the exception of the Philippines, which has incorporated the SDGs into its national development plan. However, all countries cherry-picked from the 169 targets as not all were deemed feasible for implementation due to the varying capacity of these countries, their priority areas and geopolitical conditions. Each state has its own interpretation of how well the aspirational timeline of Agenda 2030 meets their national needs and interests. Other countries represented were Singapore, Australia. Brunei, Cambodia and Myanmar were not represented.

The workshop revealed the determination of ASEAN governments, even of the less developed countries, to embrace the SDGs as they realised that their success in doing this would determine the satisfaction of their constituencies. What is to come is the need for long-term research and continuous innovation and improvement in the design of projects aimed at achieving these goals, especially considering the unique needs of individual ASEAN countries with their different levels of development.

MAIN COUNTRY FINDINGS

MALAYSIA
Malaysia has committed to reduce greenhouse gas (GHG) emissions by 45% from the 2005 emission levels by 2030, and is still trying to make sense of the current direction towards decarbonisation. Attempts at managing the prerequisites of green growth while also catering to the needs of widespread urbanisation could lead to the development of short-term measures that could compromise long-term sustainability planning. One problem area is transportaton: while there is expansion of the public transport infrastructure, more highways are still being built in urban areas.

INDONESIA
As the largest ASEAN country, Indonesia shoulders a significant burden in achieving the SDGs for the region. Indonesia is very aware and frank about the challenges it faces in its attempts to deal with problems such as pit-burning and deforestation; CO2 emission levels, access to water and sanitation facilities; and marked inter-province achievement gaps. The lack of integrated data and inconsistency of measurements between provinces bear upon the ability to plan for, and implement, the required development. Nevertheless, the new government, instituted in 2014, intends to mainstream the SDGs into the nation's developmental plans, with the immediate goal of narrowing inter-province and inter-ethnic disparities.

LAO PDR
Lao PDR being less developed means that the country can chart a path of sustainable development that does not repeat the mistakes of its neighbours. To allow for development, however, Lao PDR has an additional SDG, which is the removal of unexploded ordnances (UXOs) that renders a large proportion of its land unusable. Lao PDR considers itself to be one of the beneficiaries of China's One Belt One Road (OBOR) initiative, and improving educational access and attainment is being given top priority for its people to fully realise the benefits this can bring.

THE PHILIPPINES
The integration of Agenda 2030 into the Philippines' national development plan for the next twenty-five years is expected to mitigate its current problem of the government giving priority to shorter-term results because of their term limits. Health remains of the biggest concerns for the Philippines: the nation has gone from having among the highest life expectancy rates in the region to having among the lowest. The cost of healthcare has also skyrocketed, and poorly-resourced local governments have to shoulder the burden of providing healthcare in their districts and provinces and the bare minimum of standards. Its other developmental priorities are: becoming a prosperous country with a predominantly middle-class population; and building a safe and highly educated society.

VIETNAM
In the area of economic growth, Vietnam has recorded two decades of stable and equitable growth, albeit still a long way from achieving the SDGs. While poverty has gone down significantly in Vietnam, the poverty rate among ethnic minorities is still high, surpassing that of the national average. Vietnam is now moving in the direction of assessing poverty beyond the metric of income, and by including non-income factors such as socio-cultural status, access to infrastructure and access to information. While it has made great strides in improving educational attainment, access to tertiary education is still low, with only 20% of its population having attained some form of tertiary-level education; and even then, at a quality deemed unsatisfactory.


From Left to Right: Dr Phouphet Kyophilavong; YBhg Datuk K. Yogeesvaran; Secretary Philip Green; Prof Jeffrey D. Sachs; Undersecretary Rosemarie G. Edillon; Mr. Somkiat Triratpan; Prof Woo Wing Thye

THAILAND
Thailand's sufficiency economy philosophy (SEP) advocates making people active participants in their own welfare. It also supports the twenty-three work principles introduced by King Bhumibol, which are essentially about effective responses during situations of crisis. Thailand sees the SEP as corresponding with the SDGs and can serve as an approach in achieving the SDG's.

SINGAPORE
Singapore is an economically advanced country and the most developed in ASEAN, but faces issues of socio-economic inequality, including gender inequality. While the quality of healthcare is high, it is also expensive, especially for those afflicted with certain illnesses or require certain medical procedures. Singapore's rapidly aging population, with the expectation that one in four of its citizens will be aged over 65 by 2030, is expected to heavily tax the healthcare system and other social services. It is also recognised that Singapore's heavy dependence on foreign labour, both skilled and unskilled, bears upon domestic productivity.

AUSTRALIA
Australia's commitment to aiding Southeast Asia in attaining their developmental goals is a combination of geopolitical strategy; and its desire to bring to Southeast Asia Australia's model of integrating the SDGs into its national agenda. Australia uses its developmental partnerships with emerging economies as a form of knowledge diplomacy and geopolitical leverage. Through these partnerships, Australia is able to advance innovative practices at a global scale while building regional collaborations. The country thus commits to the fulfilment of SDG 17, which is "Partnerships for the Goals." Notwithstanding Australia's advances in many areas, it has its own domestic issues to content with, such as gender violence, with 1 in 3 women exposed to physical violence and 1 in 5 to sexual violence; the continuous marginalization and disenfranchisement of its indigenous communities; and the slow process of effecting behaviour modification of its people in areas of energy and water consumption.

Consensus by ministerial representatives on improvements to be made:
- To ensure all developmental programmes are inclusive and able to tackle growing inequities, with consideration also for gender equality.
- To eradicate the many faces of poverty found in their communities.
- To reconsider the extant healthcare infrastructures and delivery systems.
- To intensify the development of human capital through improved educational quality and rigour.
- To strengthen infrastructures for improving inter-connectivity between communities and supporting sustainable economic activities.
- To move away from economic systems dependent on demand for raw natural resources and commodities, and towards value-added services that are environmentally friendly and sustainable.

There is a need to consider the feasibility of carrying out such efforts. The costs versus benefits over the short, medium and long-term, including intangibles, have to be considered as well as their impacts on intended beneficiaries. Questions were raised on how to make the administration of the SDGs more inclusive of various stakeholders, many of whom would like to be included in future deliberations of their national developmental programmes.

In having to look for sources of financing, expertise and help in meeting performance metrics, governments are turning to the private sector as partners. Nevertheless, government-private collaborations should not be a blanket consideration for every developing state. Much depends on the level of maturity of the private sector in the respective countries, as well as the relationships between the governments and corporations. Multi-national corporations that benefit from operations in the less developed countries should be urged give back to the community, but in ways that do not jeopardize the sovereignty of the host countries.

The workshop was a serious attempt at promoting regional and global thinking in the pursuit of the SDGs. It acted as a first step in translating the idealism of the SDGs into addressing everyday challenges. Changes have to happen at every level, from the physical to the psychological.

TN50: THE ROAD AHEAD
12 JANUARY 2018

SPEAKER:
- **Johan Mahmood Merican**, *Economic Planning Unit*

DISCUSSANTS:
- **Prof Tan Sri Dato' Dr Lin See-Yan**, *Sunway University*
- **Prof Woo Wing Thye**, *Jeffrey Cheah Institute on Southeast Asia*

From Left to Right: Prof Woo Wing Thye; Johan Mahmood Merican; Prof Tan Sri Dato' Dr Lin See-Yan

This public forum sought to dissect *Transformasi Nasional 2050 (TN50)*, Malaysia's latest national development vision following the New Economic Policy (1971-1990) and Vision 2020 (1991-2020).

Johan Mahmood Merican said that Malaysia has done well to reach the goals of past development plans such as the elimination of absolute poverty, reduced income inequality, reduced interracial differences, and an increase in Malaysia's global competitiveness. Several challenges, however, still remain – relative poverty still persists; wealth inequality remains high; and social wellbeing is lagging. TN50 is a unique continuation of the government's long-term planning in that it employs a 'bottom-up approach'. More than 2 million Malaysians were engaged through public dialogues, town halls and surveys. Three key themes emerging from more than 100,000 collated responses were the aspirations for: (i) Malaysia to be a global leader; (ii) a sustainable and inclusive society; and (iii) unity in diversity. The youth especially wanted the country to be carbon neutral by 2050 and to be a global exemplar in its quality of public education. Johan stressed that in response to global megatrends such as urbanisation, digitalisation, resource scarcity, geopolitical shifts, and an ageing society; Malaysia will need to formulate policies that, among others, will increase investment in urban infrastructure, embrace the 'digital revolution', implement environmentally sustainable practices, and strengthen social safety nets.

Prof Tan Sri Dr See-Yan Lin, responded to Johan's presentation stating that the time has come to change the way we measure the wealth of a nation. GDP does not equate to well-being. Instead, we need to relate GDP (flow) with wealth (stock) as wealth will produce future income flows. As of now, Dr Lin believes that Malaysia's current growth is on a "sugar high"; and there is a disconnect between what the statistics say and the experience on the ground. He said that if the economy is structurally strong, the Ringgit would not be so weak. He proposed fundamental reforms including shifting the drivers of growth to digital manufacturing and higher value-added construction; injecting more competition by reducing the role of SOEs; raising total factor productivity through AI and robotics; adopting a strong exchange rate policy; adopting structural reforms to upgrade education and retain talent; rebalancing income and wealth to reduce inequality; and reducing tax and debt burdens on the middle-class.

Prof Woo Wing Thye pointed out that what remains wanting is a clear mechanism to translate the TN50 vision into reality. Drawing on his experience of advising on China's economic transition, he outlined the two key components needed for Malaysia to achieve the TN50 goals: 'hardware' and 'software'. The 'hardware' component comprises the private sector, supported by good regulations from the government; while the 'software' component refers to a country's governance system, which requires free and just elections, an independent monitoring and accountability mechanism, and a free press. The 'engine' for growth, according to Prof Woo, would then be the synthesis of both 'software' and 'hardware' components: the private sector working together with the government to achieve efficiency.

TRANSFORMATIONS OF MALAYSIAN UNIVERSITY MODELS FOR SUSTAINABILITY

11 JULY 2017

SPEAKER:

- **Prof Tan Sri Dr Ghauth Jasmon**, *Jeffrey Cheah Institute on Southeast Asia*
- **Dr Sakina Sofia Baharom**, *MARACorp Education Group*
- **Prof Hamzah A. Rahman**, *Universiti Malaya*

Prof Tan Sri Dr Ghauth Jasmon at the Transformation of Malaysian University Models for Sustainability public lecture

This seminar explored how Malaysian universities can remain relevant and survive, given the fast-changing landscape of higher education brought about by technological advancement, socio-economic changes and geo-political factors.

Prof Tan Sri Dr Ghauth Jasmon shared his perspective on the three necessary characteristics for the creation of a world class university: a high concentration of talented academics and students; a large budget; and strategic vision and leadership. He lamented recent government budgets cuts in all public universities by almost 20 percent, which had forced these universities to streamline their activities and freeze recruitment. He believes that the days of relying on government allocations are over and, to be able to compete globally, universities must be able to attract sufficient endowments and research grants to support their education mission in perpetuity. Endowments and research grants offer institutions the kind of stability that is needed to pursue innovative academic programmes, advanced research and the best faculty appointments; at the same time freeing them of government control and interference. The case of Pohang University of Science and Technology (POSTECH) was used to illustrate how a small and new university quickly became one of the top ranked universities in Asia due to its focus on research and ability to attract significant research funding. Prof Tan Sri Dr Ghauth stressed the importance for Malaysian universities to have proactive, intelligent boards that can attract and grow endowments and grants.

Dr Sakinah Baharom and Prof Hamzah A. Rahman shared the experiences of the MARACorp Education Group and the International University of Malaya-Wales; in particular, on how to meet the demands of delivering high quality tertiary education in an environment of constrained budgets and radical technological changes. They emphasized the importance of a commitment to undertake fundamental transformation; and strong and decisive leadership.

THE MALAYSIAN FEDERATION: VIEWS FROM EAST MALAYSIA

28 AUGUST 2017

SPEAKER:

- **Prof James Chin**, *University of Tasmania and Jeffrey Cheah Institute on Southeast Asia*

Prof James Chin discussed the process that led to the formation of the Malaysian Federation and related issues as seen from the viewpoint of Sabah and Sarawak. He argued that the ongoing debate on the 1963 Malaysia Agreement does not really take the views of the peoples of East Malaysia into account. After giving a detailed historical timeline of the process that led to the formation of the federation, Prof Chin said it was quite clear that the entire process was 'unstoppable' once the Colonial Office, Lee Kuan Yew, and the Malayan government under Tunku Abdul Rahman, decided that the federation was the best way forward for the region. The ordinary peoples of North Borneo (now known as Sabah) and Sarawak were not consulted. The entire process was managed by the colonial authorities who were still very much in control of both states. Now, after more than half a century of the federation, many in Sabah and Sarawak are unhappy, with the widely held perception that they have been marginalized by Putrajaya, especially in the economic arena - hence the ongoing debate on "autonomy" for East Malaysia. Prof Chin suggested that the best way forward is not to look at historical grievances but to acknowledge that Sabah and Sarawak are founding states in the federation and the political guarantees granted in 1963 should, therefore, be upheld and implemented. This, he suggests, is the only way to end unhappiness in East Malaysia.

THE MANY SHADES OF ISLAMISM AND ISLAMISTS IN MALAYSIA

29 AUGUST 2017

SPEAKER:

- **Prof Ahmad Fauzi Abdul Hamid**, *Universiti Sains Malaysia*

Islamists in Malaysia are not a monolithic group. According to Prof Fauzi Abdul Hamid, although most of them agree that Malaysia should be an "Islamic" state, they differ on the theological justifications and the process of how the Islamic state should be configured. Another source of confusion about Islamists in Malaysia is the "state-centric political Islam" framework in which the Malaysian state - which is constitutionally secular - decides what "Islam" is at the official level. Thus, Islamism in Malaysia has become a politicised issue and is used as a political weapon.

The watershed moment came in 2001 when then-Prime Minister, Mahathir Mohamad, announced that Malaysia is an Islamic state. Prof Fauzi emphasised that that the reality of Islamists and Islamism on the ground is extremely complex. Among the many Islamist groupings operating in Malaysia are: Salafi, Traditionalist, Neo-Salafi, Sufi-Eschatologist, Nationalist-Islamist and Liberal-Modernist. Giving examples of each group and their beliefs, Prof Fauzi contends that there is not enough public understanding of what each of these groups represents for a multi-cultural, multi-religious Malaysia. He ended his talk by warning the audience about extremist teachings in some of these groups, and their implications for the wider Muslim population in Malaysia. He gave two disturbing examples- a higher percentage of Malaysian Muslims (11%) compared to Indonesian Muslims (4%) view ISIS in favourable light. The same pattern is seen when it comes to suicide bombings, where 18% of Malaysian Muslims think suicide bombings are justified as compared to just 7% for Indonesian Muslims.

NEW MEDIA AND POLITICS IN SOUTHEAST ASIA: SOCIAL MEDIA, CITIZENS AND THE DIGITAL REVOLUTION

26 JANUARY 2018

SPEAKER:

- **Dr Ross Tapsell**, *Australian National University*

In this presentation, Dr Ross Tapsell explained how digital media is becoming a key 'battlefield' between the large and powerful players in politics, and citizens who are seeking meaningful change. As internet penetration rises, the future of democracy in Southeast Asia will increasingly depend on how certain actors manage and adapt to the emergence of new digital technologies, most notably how they manipulate information to influence electoral outcomes. Dr Tapsell highlighted the ease with which fake news sites emerge, bearing carefully-selected site names that appear legitimate, that troll and undermine their political targets.

Dr Tapsell also recounted how cleverly-constructed social media campaigns are aimed at eliciting emotional reactions from the public that may translate into votes. Rodrigo Duterte's 2016 presidential campaign in the Philippines and Joko Widodo (Jokowi)'s 2012 Jakarta gubernatorial campaign, both demonstrated how this strategy was highly successful. Both campaigns were able to appeal to the real concerns of the electorate and those of younger voters. Dr Tapsell warned, however, that stirring-up emotional reactions through social media can also backfire, as in the case of Basuki Tjahaja Purnama (Ahok), who in the running for the 2017 Jakarta gubernatorial elections, was accused of blasphemy and sentenced to two years in jail, following a remark he made that was misrepresented and turned into a viral smear campaign.

Dr Tapsell spoke of how participatory new media can be central to the electoral outcomes of Southeast Asian countries such as Malaysia, especially in a political landscape marked by an urban-rural divide. He countered the claim that new media protects political incumbents, arguing that new media also allow for the emergence of new political candidates.

MATERIALLY POOR, MORALLY RICH: THE ORANG ASLI, MALAYSIA'S FIRST PEOPLES

14 JULY 2017

SPEAKER:

- **Emeritus Prof Alberto Gomes**, *Dialogue, Empathic Engagement & Peacebuilding (DEEP) Network, and La Trobe University, Australia*

Prof Gomes's research focused on two *Orang Asli* (indigenous) groups that he lived with for extensive periods - the *Menraq* and the *Semai*. The *Menraq* people began as hunter-gatherers, who later were transitioned through state-sponsored programmes to cash cropping and being simple livestock farmers. The Semai people were traditionally horticulturalists and land swiddeners, and also transitioned to cash cropping. Prof Gomes described the state-sponsored projects that attempted to 'develop' these communities between 1975-2006. These efforts ultimately had adverse impacts on these communities including: degradation of their homes and land due to logging; reduced access to food resources and proper nutrition; increased disease and mortality rates; pollution of rivers; over-dependence on the state; and destruction of livelihoods. Professor Gomes described the state-sponsored projects that attempted to 'develop' and 'modernise' these communities between 1975-2006; which ultimately had adverse impacts on these communities including: degradation of their homes and land due to logging; reduced access to food resources and proper nutrition; increased disease and mortality rates; pollution of rivers; over-dependence on the state; and destruction of livelihoods. Consequently, the Orang Asli mostly live in abject poverty and fare poorly in almost every social, political and economic indicator relative to the national average. Professor Gomes emphasised the demographic changes, specifically the fertility levels of the Menraq community in 1978 and 1998, illustrating that while there was an increase in birth rate from 4.5 to 5.75 children per mother, the number of deceased children for each post-menopausal mother had risen from 15% to 40%.

Prof Gomes went on to share how, while the *Orang Asli* are unquestionably poor in material terms, the richness of their culture, philosophies, practices, and moral and ecological principles, has much to offer as lessons to modern society. The interpersonal relations of the *Orang Asli*, which he described as being egalitarian, non-aggressive, non-violent, community-focused, humble, deliberative, democratic and peaceable, can be a model for resolving the myriad global challenges such as climate, change, environmental problems and the rising tide of violent conflict, racism, bigotry and xenophobia.

Prof Gomes concluded with a commitment to pursue his work on educating people on the *Orang Asli* to dispel current perception of them being 'backward'; and to promote a deeper appreciation of their values and way of life, which are 'grounded' in respect, love, compassion, caring and empathy.

EVENT HIGHLIGHTS

JEFFREY CHEAH INSTITUTE ON SOUTHEAST ASIA EVENTS – FROM JAN 2017 TO JAN 2018

Date	Topic	Speakers
18 & 19 January 2017 Forum (In collaboration with: Ash Center for Democratic Governance and Innovation, Harvard Kennedy School)	Asia Public Policy Forum: Improving Education Access and Quality in Asia	**Panel 1: Creating a Vibrant Knowledge Sector** • **Prof Michael Woolcock**, Harvard Kennedy School • **Dr Karndee Leopairote**, C-ASEAN • **Pak Daniel Suryadarma**, SMERU Research Institute and Australian National University **Panel 2: Balancing Access and Quality in Primary and Secondary Education** • **Prof Rajah Rasiah**, Universiti Malaya • **Dr Deunden Nikomborirak**, Thailand Development Research Institute (TDRI) • **Prof Lant Pritchett**, Harvard Kennedy School **Panel 3: Balancing Access and Quality in Tertiary Education** • **Dr Connie K. Chung**, Harvard Graduate School of Education • **Ms Dam Bich Thuy**, Fulbright University Vietnam • **Mr Mokhamad Mahdum**, Indonesia Endowment Fund for Education **Panel 4: Assessing and Improving Education Quality** • **Prof Xiao-Li Meng**, Harvard University • **Dr Nay Win Oo**, Myanmar National Education Policy Commission • **Prof Anita Lie**, Widya Mandala Catholic University Surabaya **Panel 5: Meeting Job Market Demand** • **Dr Vu Quoc Huy**, Vietnamese Academy of Social Sciences • **Prof Mayling Oey-Gardiner**, University of Indonesia and Indonesian Academy of Sciences (AIPI) • **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute on Southeast Asia **Panel 6: Understanding the Relationship Between Education and Development** • **Prof Satryo Brodjonegoro**, Bandung Institute of Technology • **Prof Chen Zhao**, Fudan University • **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia
10 February 2017 Seminar (Co-convened by the Centre for Higher Education Research, Sunway University and the Jeffrey Cheah Institute on Southeast Asia)	Inequality in Higher Education: Meeting the Challenge in Malaysia	1. **Dr Graeme Atherton**, Sunway University and NEON, UK 2. **Prof Fauziah Md. Taib**, Universiti Sains Malaysia 3. **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute on Southeast Asia 4. **Assoc. Prof Munir Shuib**, Universiti Sains Malaysia 5. **Prof Glenda Crosling**, Sunway University
20 March 2017 Forum	Globalisation Enters a New Phase: How is Southeast Asia to Adapt?	1. **Dato' Dr Ooi Kee Beng**, ISEAS- Yusof Ishak Institute, Institute of Southeast Asian Studies (ISEAS) and Jeffrey Cheah Institute on Southeast Asia 2. **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia
25-26 March Dialogue (Co-organised with Asia Centre, Paris)	4th Cross Dialogue	**Speakers:** 1. **Eric V. Grillon,** Asia Centre and AESMA 2. **Jean-Francois Di Meglio,** Asia Centre 3. **Yin Cunyi,** Tsinghua University SPPM
29-30 March 2017 Forum	Asian Economic Panel	1. **Prof Dwight Perkins**, Harvard University 2. **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia 3. **Muhammad Abdul Khalid**, Khazanah Research Institute 4. **Kwanho Shin**, Korea University 5. **Sarah Lynne Daway**, University of the Philippines 6. **Ming Lu**, Peking University 7. **Miojie Yu**, Peking University 8. **Li Shiyu**, Renmin University of China 9. **Naoyuki Yoshino**, Asian Development Bank Institute 10. **Yongseung Jung**, Kyung Hee University 11. **Barry Eichengreen**, University of California, Berkeley
31 March 2017 Workshop (co-organised with ICS and Shanghai Jiaotong University)	Update on the Chinese Economy	**Speakers:** 1. **Lu Ming,** Shanghai Jiaotong University 2. **Pan Yingli,** Shanghai Jiaotong University 3. **Chen Xian,** Shanghai Jiaotong University 4. **Li Ran,** Universiti Malaya 5. **Yu Miao,** Universiti Malaya

Date	Topic	Speakers
25 & 26 April 2017 Workshop (JSC event in collaboration with JCI, Pulau Banding Foundation, LESTARI, UKM)	ASEAN Ministers Workshop	**Keynote Speaker:** **Prof Jeffrey D. Sachs**, Columbia University and UN Sustainable Development Solutions Network **Panelists:** 1. **Dr Bambang Brodjonegoro**, Minister of National Development Planning, Indonesia 2. **Dato' Haji Abdul Rahman Dahlan**, Minister in the Prime Minister's Department, Malaysia 3. **His Excellency Minister Saleumxay Kommasith**, Minister of Foreign Affairs, Lao PDR 4. **Rosemarie G. Edillon**, Undersecretary, National Development Office for Policy and Planning, National Economic and Development Authority, Philippines 5. **Dato' Dr Abdul Rashid Abdul Malik**, Pulau Banding Foundation 6. **Prof John Thwaites**, SDSN Leadership Council and Monash Sustainable Development Institute, Australia 7. **Prof Sumiani Yusoff,** Universiti Malaya 8. **Prof Phouphet Kyophilavong**, National University of Laos 9. **Prof Gamini Herath**, Monash University Malaysia 10. **Prof Noraini Tamin**, IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) Expert of Land Degradation and Restoration 11. **Prof Leong Choon Heng**, Jeffrey Sachs Center on Sustainable Development, Sunway University 12. **Assoc. Prof Dr Foo Yin Fah**, Sunway University Business School 13. **Prof Maria Socorro Gochoco-Bautista**, University of the Philippines 14. **Dato' Ir. Dr Lee Yee Cheong**, International Science Technology and Innovation Centre for South-South Cooperation 15. **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute 16. **Prof Paul Hoskin**, Sunway University 17. **Dato' Dr Ooi Kee Beng**, ISEAS- Yusof Ishak Institute and Jeffrey Cheah Institute on Southeast Asia 18. **Dr Somkiat Triratpan**, Secretary to the Minister in the Prime Minister's Office, Thailand 19. **Mr Philip Green**, Department of Foreign Affairs and Trade, Australia 20. **Prof Vu Quoc Huy**, Vietnamese Academy of Social Sciences 21. **Datuk Dr Yogeesvaran Kumaraguru**, Economic Planning Unit, Malaysia 22. **Dr Samir Hassani**, Sunway University 23. **Dr Chong Kok Boon**, Sunway University 24. **Prof Dato' Dr Mazlin Bin Mokhtar**, Universiti Kebangsaan Malaysia 25. **Dr Lee Khai Ern**, Universiti Kebangsaan Malaysia 26. **Prof Koh Hock Lye**, Jeffrey Sachs Center on Sustainable Development, Sunway University 27. **Prof Woo Wing Thye**, Jeffrey Sachs Center on Sustainable Development, Sunway University
11 July 2017 Public Lecture	Transformation of Malaysian University Models for Sustainability	1. **Dr Sakina Sofia Baharom**, MARACorp, Malaysia 2. **Prof Hamzah A. Rahman**, Universiti Malaya 3. **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute on Southeast Asia
14 July 2017 Public Lecture	Materially Poor, Morally Rich: The Orang Asli, Malaysia's First Peoples	1. **Prof Emeritus Alberto Gomes**, Dialogue, Empathic Engagement & Peacebuilding (DEEP) Network, and La Trobe University, Australia
1 August 2017 Part of the Revisiting The New Economic Model- Lags and Prospects Seminar Series (In collaboration with the Malaysian Economic Association)	The Malaysian Economy: Where Are We?	1. **Tan Sri Dato' Dr Lin See-Yan**, Sunway University 2. **Datuk Dr Awang Adek Hussin**, PNB Research Institute 3. **Prof Dr Rajah Rasiah**, Universiti Malaya 4. **Dato' Latifah Merican Cheong**, Malaysian Economic Association

Date	Topic	Speakers
25-26 August 2017 Part of the Revisiting The New Economic Model- Lags and Prospects Seminar Series (In collaboration with the Malaysian Economic Association)	Lessons for Malaysia from the Reform Experiences of Other Countries	1. **Prof Lu Ming**, Shanghai Jiao Tong University 2. **Dr Chalongphob Sussangkarn**, Thailand Development Research Institute (TDRI) 3. **Dr Muhamad Chatib Basri**, Former Minister of Finance, Indonesia 4. **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia
28 August 207 Public Lecture	The Malaysian Federation: Views from East Malaysia	1. **Prof James Chin**, University of Tasmania and Jeffrey Cheah Institute on Southeast Asia
29 August 2017 Public Lecture	The Many Shades of Islamism and Islamists in Malaysia	1. **Prof Ahmad Fauzi Abdul Hamid**, Universiti Sains Malaysia
7 & 9 September 2017 Part of the Revisiting The New Economic Model- Lags and Prospects Seminar Series (In collaboration with the Malaysian Economic Association)	Policy Imperatives to Drive Future Growth	1. **Prof Dwight H. Perkins**, Harvard Kennedy School 2. **Prof Edmund Terence Gomez**, Universiti Malaya 3. **Prof Dato' Dr Tan Tat Wai**, Sunway University 4. **Dr Muhammed Abdul Khalid,** DM Analytics Malaysia
25 September 2017 Public Lecture	Malaysian Universities Must Change	1. **Datuk David Chua Kok Tee**, DC & A Group of Companies and Malaysia-China Business Council 2. **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute on Southeast Asia 3. **Prof Dato' Dr Mansor Fadzil**, Open University Malaysia
27 October Forum (Co-organised with Peking University) *Part of the conference organised by China Machinery Engineering Corporation (CMEC) in celebration of 4th Anniversary of the "Building the 21st Century Maritime Silk Road" initiative	Academic Forum on Cooperation between China-Malaysia and Marine Silk Road Construction in 21st Century	1. **Dr Leong Choon Heng,** Jeffrey Sachs Center on Sustainable Development 2. **Dato' Abdul Majid Ahmad Khan,** Malaysia-China Friendship Association 3. **Dr Peter Thong,** Malaysia-China Friendship Association
31 October 2017 Seminar Part of the Revisiting The New Economic Model- Lags and Prospects Seminar Series (In collaboration with the Malaysian Economic Association)	The Reform Program for Dynamic Sustainable Development	1. **Prof Jeffrey D. Sachs**, Columbia University and UN Sustainable Development Solutions Network 2. **Tan Sri Datuk Dr Kamal Mat Salih**, Universiti Malaya 3. **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia
12 December 2017 Public Lecture	Spearheading National Development Through Quality Research	1. **Phoebe Than Lee Lee**, Universiti Malaya 2. **Prof Tan Sri Dr Ghauth Jasmon**, Jeffrey Cheah Institute on Southeast Asia
12 January 2018 Public Lecture (In collaboration with Transformasi Nasional 2050)	TN50: The Road Ahead	1. **Johan Mahmood Merican**, Economic Planning Unit, Malaysia 2. **Prof Tan Sri Lin See-Yan**, Sunway University 3. **Prof Woo Wing Thye**, Jeffrey Cheah Institute on Southeast Asia
26 January 2018 Public Lecture	New Media and Politics in Southeast Asia: Social Media, Citizens and The Digital Revolution	1. **Dr Ross Tapsell**, Australian National University

THE JEFFREY CHEAH TRAVEL GRANTS

Designed to further academic exchanges between Malaysia/Southeast Asia and the United States, the Jeffrey Cheah Travel grant are available to students and staff at Sunway Education Group and Harvard University. The Travel Grants programme is coordinated by the Jeffrey Cheah Institute on Southeast Asia (JCI) and applications are invited twice a year. Further information is available at *www.jci.edu.my*.

In 2017, the Jeffrey Cheah Foundation awarded 11 travel grants; six to recipients from Sunway University and Monash University Malaysia; and five to recipients from Harvard University. They earned the opportunity to participate in academic exchange between academics, scholars and staff from Harvard University and the Sunway Education Group on research areas relevant to Southeast Asia.

OUTBOUND SCHOLARS

Dr Jolyne Khor Kuan Siew's visit to Harvard University was for the purpose of a solution-driven action-based research on 'Energy Strategies for Green Universities' which focusses on developing context-specific sustainable energy management solutions. The travel grant awarded would be helpful in developing a practical proposal on an 'Action Blueprint towards Sustainable Energy Consumption'; and to obtain stakeholders buy-in and support for her project.

Yau Kok Lim's travel grant was to further his research in 'Deep Reinforcement Learning and its Applications to Intelligent Systems'. His visit to Harvard was mainly to explore research collaboration with Harvard researchers on deep reinforcement learning (DRL) and its application.

Travel grant recipient Sue-Anne Chia Yuin Quan's visit was to learn 'Best Practices on Alumni Services and Summer Programmes from Harvard University', with hopes of learning how Harvard University connects with its alumni throughout their life cycle, as well as attracts and engages current students to be active future alumni.

Ms Lee Siok Ping's project looked at 'Learning from the Best in Promoting Student Opportunity, Achievement and Success at Harvard Graduate School of Education and the Harvard Institutes of Higher Education'.

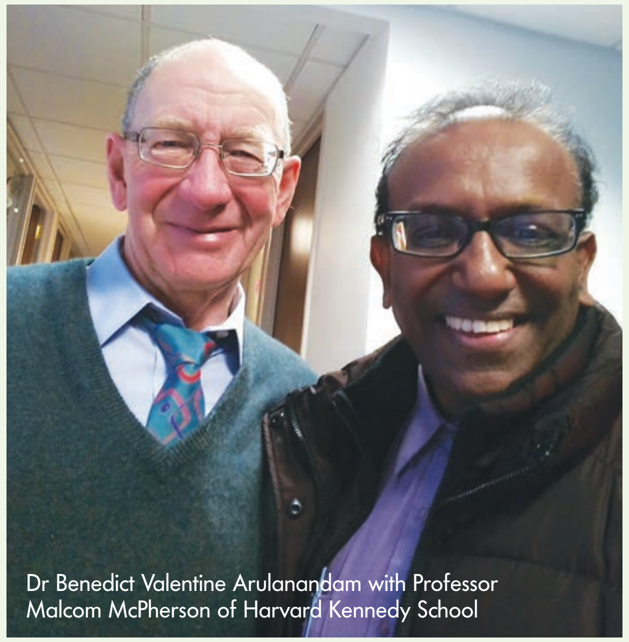
Dr Benedict Valentine Arulanandam's research was on 'Poverty Reduction Through Financial Literacy among Underprivileged Communities in Cambodia- New Institutional Economics Approach'.

Ms. Priya Sharma Amarjit Singh's purpose of visit was to gain further knowledge on 'The Trafficking of Migrant Workers for Forced Labour in Malaysia- Evidence from an Empirical Legal Study'.

Ms. Lee Siok Ping, Sunway University

I spent 5th to 15th June 2017 at Harvard University with the aim and hope of learning how to improve and to enhance student experience at Sunway University. I had arranged meetings with some of my counterparts at Harvard so as to engage, share and have a deeper understanding of ways to improve student opportunity, achievement and how to advance the quality of student experience. We met and shared on the demographics of our students, scope of work, structure of development and how it fits with our respective institution. In addition, we also shared about the challenges we faced today with the present generation of students and the complexity of life. I also visited some of their student community centres such as mental health services, student support and activities, the Harvard/MIT Co-op store, and office of career services at various locations in Harvard Square. I drew inspiration from this and shall strive to build a trusted team by active engagement and impart joy/fulfilment that comes from doing purpose-driven work, to make a difference at Sunway.

Ms. Lee Siok Ping with Philip Lovejoy, Executive Director, Harvard Alumni Association


Dr Benedict Valentine Arulanandam with Professor Malcom McPherson of Harvard Kennedy School

Dr Benedict Valentine Arulanandam, Sunway College

As I stepped into the compound of Harvard University in November 2017, it was an awesome and majestic experience indeed. The insights received were extremely useful to delve into the various angles suggested in my research, such as behavioural economics, governance and accountability, income disparity, organizational dynamics and comparative studies on the region as a whole. In addition, the mechanics of financial products were discussed and the role of microfinancing institutions as a channel by which government funding is transmitted to the communities, for the purpose of poverty reduction and nation building. It was also highlighted that the re-modelling of financial literacy in such under-developed regions has to be revisited for effectiveness. The challenges of microfinancing were also highlighted during my visit to the World Bank, Washington D.C, that has several projects in Cambodia and similar economies.

Priya Sharma Amarjit Singh, Monash University Malaysia

As the recipient of the Jeffrey Cheah Travel Grant, I was granted the opportunity to visit Harvard University. My area of research is centered on the trafficking of migrant workers for forced labour into Malaysia. It is an empirical legal research which combines quantitative and qualitative methods. Meeting with the experts in these areas augurs well with my research pursuits. It was an extremely fruitful and productive discussion as I received valuable guidance and advice and was able to attend forums, seminars and guest lectures on related topics. One Professor graciously offered to connect me to ILO (International Labour Organization) officers who work with migrant workers and child labour, while another went through my research with me and suggested ways of improving it. The ideas and recommendations presented to me were relevant and innovative and I intend to use them in my research. The visit also created an exciting opportunity to network with leading scholars in my field of research. I had the opportunity to meet and exchange ideas on Research, Education and Engagement surrounding the 17 Sustainable Goals emphasized by the UN Global Compact. In conclusion, not only was I able to meet experts in my area of research, I was also able to exchange thoughts and ideas on the 3 main areas for collaboration, which are Research, Education and Engagement.


Ms. Priya Sharma with Prof Jacqueline Bhabha, FXB Director of Research, Prof of the Practice of Health and Human Rights at the Harvard School of Public Health

INBOUND SCHOLARS

Our inbound scholars from Harvard University were Ms. Katie Gonzalez, Ms. Mildred Hian Ya Voon, Assoc. Prof Rema Hanna, Assoc. Prof Genevieve Clutario, and Mr. Joshua Ehrlich.

Ms. Katie Gonzalez's purpose of visit was to investigate women's rights, human rights and Islamic law (Shari'a) with a research focus on 'Unconstitutional Corporal Punishment? The Movement for an Islamic Penal Code in Malaysia and its Impact on Muslim Women', which aims to investigate a recent legal reform effort to expand Islamic law's jurisdiction over the criminal code in Malaysia.

Ms. Mildred Hian Ya Voon's research, 'Identification of Key Transformation Factors of Sarawak School Districts Under the District Transformation Program', aims to assist the District Transformation Programme Initiative (DTP) under Malaysia's Education Blueprint by understanding the challenges and barriers faced by district leaders in schools in Sarawak. The research will also provide recommendations on how greater support to districts and replicate improvement in other low-performing states with majority rural districts.

Assoc. Prof Genevieve Clutario's research investigates 'The Appearance of Filipina Nationalism' combining transnational approaches to theories of gender and race, linking together United States, Philippine and Women's Histories.

Mr. Joshua Ehrlich's research for 'The East India Company and the Politics of Knowledge' traces the ideological uses of knowledge in the politics of the East India Company during the globally transformative period of the 1770s-1830s.

Assoc. Prof Rema Hanna's research, titled 'Reducing Traffic in South East Asia: What Drives Carpooling in Malaysia and Singapore?', aims to shed light on an alternative mechanism that has the potential to help reduce traffic congestion and its associated ills in Malaysia and Singapore.

OUR TOP TEN MOST POPULAR VIDEOS

*Discover more videos at **www.youtube.com/JeffreyInst***

MALAYSIA AND THE CLUB OF DOOM- THE COLLAPSE OF THE ISLAMIC COUNTRIES

Speaker: **Syed Akbar Ali** (Malaysia)

THE MANY SHADES OF ISLAMISM AND ISLAMISTS IN MALAYSIA

Speaker: **Prof Ahmad Fauzi Abdul Hamid** (Universiti Sains Malaysia)

THE ISLAMIC STATE (IS) AND MALAYSIA

Speaker: **Dr Maszlee Malik** (International Islamic University Malaysia)

EAST ASIA IN 2016: SEARCHING FOR SOLUTIONS

Speakers: **Prof Emeritus Wang Gungwu** (National University of Singapore), **Prof Dwight Perkins** (Harvard University), **Prof Woo Wing Thye** (Jeffrey Cheah Institute on Southeast Asia), **Prof Yoon Young-Kwan** (Seoul National University)

THE ISLAMIC STATE (IS) IN SOUTHEAST ASIA: A CONVERSATION WITH PROF JOSEPH LIOW

Speaker: **Prof Joseph Chinyong Liow** (Nanyang Technological University, Singapore)

STANDING TALL AGAINST EXTREMISM: THE G25 AGENDA FOR A BETTER MALAYSIA

Speaker: **Dato' Noor Farida Ariffin** (G25)

MANAGING THE INTERNATIONAL AND DOMESTC FAULT LINES IN EAST AND SOUTHEAST ASIA

Speaker: **YAM Tunku Zain Al-'Abidin Ibni Tuanku Muhriz** (IDEAS)

THE JOKOWI ADMINISTRATION: WHAT HE CAN AND CANNOT DO IN INDONESIA POLITICS

Speaker: **Dr Farish Noor** (Nanyang Technological University, Singapore)

GLOBALISATION ENTERS A NEW PHASE: HOW IS SOUTHEAST ASIA TO ADAPT?

Speakers: **Dato' Dr Ooi Kee Beng** (ISEAS–Yusof Ishak Institute), **Prof Woo Wing Thye** (Jeffrey Cheah Institute on Southeast Asia), **Ambassador (R) Dato' M. Redzuan Kushairi** (Foreign Policy Study Group)

IS POLITICAL ISLAM A THREAT TO DEMOCRACY?

Speaker: **Mustafa Akyol** (The Freedom Project, Wellesley College)

JEFFREY CHEAH INSTITUTE ON SOUTHEAST ASIA

In August 2013, the Jeffrey Cheah Foundation and Harvard University signed agreements to establish, at Harvard, two Jeffrey Cheah Professorships of Southeast Asia Studies and the Jeffrey Cheah Travel Grants, following a gift of USD6.2 million by the Jeffrey Cheah Foundation (JCF), the largest social enterprise in Malaysia.

In conjunction with the gift, the Jeffrey Cheah Institute on Southeast Asia (JCI) was established in early 2014. The JCI will act as a catalyst in promoting Southeast Asian studies and as an attractive hub to develop and upgrade academic standards of teaching and research in the Sunway Education Group institutions and in the region.

THE JEFFREY SACHS CENTER ON SUSTAINABLE DEVELOPMENT

The Jeffrey Sachs Center on Sustainable Development is a regional center of excellence that advances the achievement of the 17 Sustainable Development Goals (SDGs) in Malaysia and Southeast Asia. Launched in December 2016 and located in the flourishing township of Sunway City, the Center was borne out of a $10 million gift from the Jeffrey Cheah Foundation to the UN Sustainable Development Solutions Network. It is now a hub for research and policy practice, creating world-class programs to train a new generation of students, practitioners and policy leaders; and expanding linkages with major universities in Malaysia and around the world to develop solutions related to the SDGs.

JEFFREY CHEAH FOUNDATION

The Jeffrey Cheah Foundation is the first-of-its-kind in Malaysia within the field of private higher education, modelled along the lines of one of the oldest and most eminent universities in the world, Harvard University. The ownership and equity rights of the Sunway Education Group's learning institutions, namely, Sunway University, Monash University Malaysia (jointly owned with Monash University Australia), Jeffrey Cheah School of Medicine and Health Sciences, Sunway College, Sunway TES, Sunway International School and others, have officially and legally been transferred to the Foundation and is at more than 720 million.

Governed by a distinguished Board of Trustees, the Jeffrey Cheah Foundation have, to-date, disbursed more than RM330 million in scholarships to thousands of deserving students.

The Jeffrey Cheah Foundation was launched in 2010 by the Prime Minister of Malaysia, Dato' Sri Mohd Najib Tun Abdul Razak, in the presence of its Royal Patron, H.R.H. The Sultan of Selangor, Sultan Sharafuddin Idris Shah Alhaj Ibni Almarhum Sultan Abdul Aziz Shah Alhaj. For more information on Jeffrey Cheah Foundation, please visit http://jeffrey.foundation.

CONTACT US

Jeffrey Cheah Institute on Southeast Asia
Sunway University
No. 5, Jalan Universiti, Bandar Sunway,
47500 Selangor Darul Ehsan,
Malaysia
Tel: (603) 7491 8622

For inquiries please contact

- jci@sunway.edu.my
- www.jci.edu.my
- facebook.com/jeffreycheahinstitute
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DIRECTOR
PROF WOO WING THYE

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SECRETARIAT
LEE CHOOI YEE
Tel: (603) 7491 8622
Email: jsc@sunway.edu.my