



# THE COMPASS

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## President's Message

### Reforming 1970 NEP with Decentralisation to Revive Dynamic, Inclusive Growth



**Prof Woo Wing Thye**

President  
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Malaysia is facing a potential second turning point in its socio-economic development. The first turning point was the adoption of the 1970 New Economic Policy (1970 NEP) and the 'Ketuanan Melayu' (Malay Supremacy) policies in the socio-political spheres. The best outcome from 1970 NEP was the quick emergence of a large Malay middle class that is informed about the world and competent in the modern professions. Middle-class Malays have, however, become increasingly cognisant that 1970 NEP and 'Ketuanan Melayu' policies are not capable of bringing Malaysia into the rank of USA, UK and Japan. The economic stagnation and the continual ratcheting up of social division caused 15–20 percent of Malays to switch their vote to Pakatan Harapan on May 9, 2018 to create the opportunity for a second turning point for policymaking in Malaysia.

I will focus here on four economic areas where urgent reforms are needed (a) the administrative structure; (b) government-linked corporations (GLCs); (c) the financial sector; and (d) the education system. While each problem has a specific reform package, the decentralisation of decision-making is the common component in them. Inserting decentralisation into the 1970 NEP framework, along with other reform measures, to broaden the social justice mission of 1970 NEP will revive dynamic, inclusive growth, and strengthen social harmony.

#### ***Decentralising the Administrative-Governance Structure***

The imbalance between the federal government and state governments is exemplified in transportation management. Every aspect of the bus system is controlled from Putrajaya, e.g. the number of buses that could operate in the state and the route for each bus line. This attitude of Putrajaya-knows-best is reflected in: (a) the Federal government having sole legal authority to impose income and sales taxes with the state governments getting their independent revenue mainly from land-related transactions; and (b) the provision of public services like health, education, and public safety being mostly done through branches of Federal ministries operating in the states.

Given the proclivity of the federal ministries to hog development projects in their areas, the federal government is not only biased toward minimal budgetary allocation to the states but also bans borrowing by the states. The states never had the revenue to build critical infrastructure to support local industries, e.g. the Penang government in 2008 had a smaller budget than Universiti Sains Malaysia. This over-centralisation of decision-making power caused highly unequal regional development. The Klang Valley—where the Federal government sits—is the recipient of the bulk of infrastructure projects, which makes it continually draw human talent and capital from poorer states like Kelantan and Pahang.

Malaysia needs to learn from China that sustained overall growth requires that state governments be empowered to formulate and implement their own development strategies. Economic growth will be enhanced because: (a) local governments understand the growth barriers in their local economies better than Putrajaya; and (b) the state governments will learn the best practices from each other's experiments and from foreign experiences instead of having to blindly obey orders from Putrajaya.

Effective administrative and budgetary decentralisation will require that: (a) the states have their own state civil service; (b) the states receive greatly increased shares of tax revenue according to a transparent formula that prioritises the developmental stage of the state and its contribution to tax revenue; and (c) significant responsibilities of the federal ministries be transferred to state agencies. Furthermore, the states must be allowed to borrow to finance local infrastructure investment subject to no bailouts by the federal government.

### ***Decentralising the Production Sector***

GLC reform is the second key economic reform. GLCs can perform well in theory but not in practice because governments inevitably find it convenient to use them for political patronage and personal corruption. The large-scale rock concert in which top managers of the largest GLCs sang 'Hebatkan Malaysia' (the election slogan of BN) just before the May 2018 election reveals clearly the nature of the incentives which GLC managers operate under.

GLCs are harmful for overall growth because, no matter how inefficient they are, they would be bailed out by taxes that the government would levy on their private sector competitors. GLCs also stunt the development of the Bumiputera business community pulling capable Bumiputera entrepreneurs away from starting private businesses into lifetime cosy GLC jobs. Downsizing of the GLC sector is necessary for growth, equity, and political accountability. A well-prepared transparent privatisation process for the GLCs is the top priority, and not their speedy privatisation.

### ***Decentralising the Financial Market***

The third key economic reform is the diversification and expansion of the banking system. The 1997 Asian Financial Crisis convinced the Malaysian government that prudential oversight of banks would be improved by the forced consolidation of the banks into ten big banks to enable easier management. This bank consolidation resulted in state investment companies becoming the controlling shareholders in most of the commercial

banks, and hence in a state bank monopoly, famous for its shoddy treatment of small customers and biased lending toward GLCs.

With the bank consolidation in 2000, SMEs began experiencing great difficulties in getting working capital and investment capital because large banks all over the world prefer to make one big loan rather than a bunch of small loans as the cost of processing each loan is about the same. The government responded to the financing difficulties of the SMEs by establishing a state-owned SME Bank in 2005. This SME Bank has not succeeded in meeting the capital needs of the SME sector despite having the highest nonperforming loan ratio in the banking industry. The retarded growth of the SME sector has definitely reduced the formation of new Bumiputera businesses.

The international experience is that small and medium banks constitute the primary funding source for SMEs. Reform will mean: (a) issuing licenses to private small and medium-sized banks; (b) reducing the government's holding of bank shares; and (c) removing restrictions on the operations of foreign banks.

### ***Decentralising the Education System***

Malaysia's education system is the fourth area in need of radical reform to generate sustained dynamic growth that is socially inclusive. It is unnaturally low in quality according to OECD cross-country surveys on the scores of primary and secondary school students in Mathematics, Reading, and Science. In the 2012 OECD sample of 65 countries, Malaysia's rank for Mathematics, Reading, and Science was 52, 59, and 53, respectively. Malaysia's scores were comparable to those of Thailand (50, 48, 49), Chile (51, 48, 47), and Mexico (53, 51, and 55). The government expenditure on education per capita in 2011 (measured in PPP 2011 international \$) was 1,307 for Malaysia, 701 for Thailand, 860 for Chile, and 832 for Mexico. This huge gap in spending indicates some very severe problems in Malaysia's education system.

There are the problems of: (a) accountability and competence of teachers in the Malaysian education system because of the absence of performance-based pay and the guarantee of lifelong employment; (b) the low academic standards in the school curriculum imposed by the central government on government-aided schools (resulting in an upward trend in the number of students receiving perfect scores in the annual national examinations); and (c) many courses that cater to political demands, resulting in inadequate time and resources to teach Mathematics, Reading and Science well.

For example, the students in some schools are required to learn three languages, receive religious instruction, and study many courses on Malaysian history and society that are designed to promote acceptance of the BN narrative of 'Ketuanan Melayu'.

Successful school reform must acknowledge that different parents have different objectives that they want the schools to achieve for their children. Malaysia must therefore have diversity in the curriculums of publicly-funded schools, and this necessitates decentralisation in three areas.

First, all publicly-funded schools must share a common academic core that is allocated enough time and resources to be taught well, and each school is allowed choice on what subjects it could offer in the rest of its curriculum. For example, MOE requires the teaching of a common core curriculum of Bahasa Malaysia, Mathematics, Reading (Literature) and Science, and each school in consultation with the local community decides on the relative proportion of courses on subjects like Malaysian history, world history, religion, civics, and geography.

Second, the oversight of schools should be transferred to the state governments which can introduce incentive pay for teachers, allow a diversified range of public schools, and conduct experiments on different pedagogical approaches. Third, the funding of public education should also be decentralised. Every school age child will receive an education voucher from the government annually, and the parents of the child can redeem the voucher at the school with the curriculum that they think is best for their child.

Decentralisation to depoliticise the school curriculum, increase accountability, and meet diverse parent demands is only one of the fundamental reforms to be implemented. Other fundamental reforms include: (a) a pay and promotion structure that rewards good teaching and innovative management of schools; (b) boarding schools for poor children from remote areas; (c) meal programmes for poor students; and (c) easing the establishment of private schools (which will also provide a natural benchmark to assess the public schools).

### ***Embracing the Future with Decentralisation***

The fundamental reason why 1970 NEP cannot bring Malaysia to developed country status equal to USA, UK and Japan is that it is not compatible with knowledge-led growth. In essence, 1970 NEP is 'Ketuanan Centralisation' (Supremacy of Centralisation) in the economic sphere,

manifesting as 'Ketuanan Federal Government' in governance, 'Ketuanan GLC' in production, 'Ketuanan Monopoly Bank' in finance, and 'Ketuanan Bureaucracy' in education. During the early stages of the economic catching-up process, economic centralisation (when done effectively without great corruption) can quickly produce a large quantity of middle-class jobs for 20th Century industries. The problem is that 1970 NEP is an emergency room procedure that ameliorates socio-political tensions in the medium-run but drains economic vitality increasingly over time, resulting in the arrested socio-economic development of today.

In the next stage of Malaysia's catching-up process, economic growth is knowledge-led and not just capital-led. By steadily worsening economic stagnation, corruption, and discrimination, 1970 NEP not only makes Malaysia unattractive to global talents, it also induces brain drain and capital flight to accelerate. 1970 NEP cannot create critical masses of world-class talents for key economic pillars of the 21st Century (e.g. research universities, information industries, artificial intelligence, and carbon-free energy generation); cannot mobilise the entire brain-power of Malaysia for knowledge creation; and cannot establish Malaysia as an important regional centre in the international network of knowledge generation. Without being able to deliver on the above three dimensions, 1970 NEP now stands for 'No Economic Progress'. 1970 NEP is an emergency room medication that is long past its expiration date and must be reformed for Malaysia to get out of the middle-income trap.

In summary, decentralisation of decision-making in the economic sphere takes different forms in different economic activities: (a) empowerment of the thirteen states in initiating local economic development; (b) institutionalisation of more equal competition between GLCs and private firms; (c) diversification of banks in size and ownership; and (d) decentralise decision-making on school curriculum, oversight of school operation, and funding of students. In every case, economic growth will be enhanced and more of it going to the poorer people and the poorer regions. ■

# Chairman's Message

## The Path to Sustainable Development

Today, humanity has crossed from the climate of the past 10,000 years of civilization—a period known as the Holocene—to a warmer climate, in our new age called the Anthropocene. Temperatures on Earth today are already higher than any decade-long average of the past 10,000 years! The consequences could well be catastrophic. Global warming will bring rising sea levels, increased droughts, mega-storms, new disease transmission, damage to the oceans, and countless other threats around the world. We are already feeling these effects, with worldwide losses of hundreds of billions of dollars per year. And more will come unless this human-induced global warming is stopped, especially by shifting from fossil-fuel energy to renewable energy and by ending the massive and rapid deforestation around the world.

The pressures on our energy system will be huge. With global growth of around 4 percent per year, the world economy is doubling every 18 years. By mid-century, total world output is likely to be at almost four times today's level, unless there is an intervening disaster. Thus, the world will need vastly more energy to support a vastly larger world economy, but it will have to end CO2 emissions from fossil fuels at the same time that total energy supply and consumption is rising rapidly.

How then are we to reconcile desirable economic development with urgently needed environmental sustainability? The year 2015 marked a monumental achievement with two new global frameworks unanimously agreed by the 193 United Nations member states: Agenda 2030, including the 17 Sustainable Development Goals, agreed in September 2015; and the Paris Climate Agreement, agreed in December 2015. All countries, rich and poor, signed up to both the SDGs and the Paris Climate Agreement. Together, these offer a blueprint for peace and prosperity for all nations, and sustainability for Earth's ecosystems, on which we depend for our own survival and wellbeing.

In some instances, we have already seen concrete actions by governments to ensure that sustainable development is the driving and coordinating force of future plans and budgets. In other countries, alas, we have seen inaction or even reversals. Dangerously, many of the world's largest corporations, who wield considerable power over political institutions, have chosen the short-term path of financial interests rather than the long-term path of planetary survival and human wellbeing. And because the SDGs and the Paris Climate Agreement require great technical knowledge for their implementation, many or even most governments are deeply challenged in implementing these agreements even when the political will is present.

Governments should eagerly and earnestly turn to the engineers, scientists and other experts in order to get the complicated job accomplished. We need to combine good politics with solid technical planning and realistic financial



**Prof Jeffrey Sachs**

Chairman  
Jeffrey Sachs Center on  
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models. In that way, the SDGs will become more than a checklist to report to the UN, and a truly guiding set of goals for deep societal transformation.

Nationally, the SDGs call for deep transformative frameworks for healthcare, education, energy, land use, city design, and deployment of information technologies. At the same time, these transformations cannot and should not be confined to national boundaries. Regional cooperation is vital when confronting challenges such as renewable energy, sustainable land use, and protection of freshwater and ocean resources. If the ASEAN region acts together, the 640 million people in the region will benefit tremendously from a safe environment, lower-cost clean electricity, stronger regional universities, more rapid technological advances, and more dynamic and inclusive economic growth.

I am extremely proud and humbled by the establishment of the Jeffrey Sachs Center (JSC) at Sunway University. Jeffrey Cheah's vision and far-sighted investments in Sunway City and Sunway University reflect his extraordinary global statesmanship. They show, in real

life, how Malaysia, Southeast Asia, and the world, can achieve the SDGs and Paris Climate Agreement if we put the effort into this great cause.

JSC is fully committed to support the SDGs in Malaysia, Southeast Asia, and globally through education, research and policy advisory. JSC also serves as the Secretariat of the Malaysia Chapter of the Sustainable Development Solutions Network (SDSN), which harnesses the power of leaders from all segments of Malaysian society—government, the private sector, academia and civil society—to attain the SDGs. The recently-launched Master in Sustainable Development Management at Sunway University is JSC's latest magnificent achievement to empower a rising generation of young leaders to guide sustainable development in Malaysia and throughout the ASEAN region. I am confident that JSC will continue to grow by leaps and bounds in prominence as one of the world's great centers of SDG excellence, and a unique beacon for the ASEAN region. Thanks to Sunway University, we can see far more clearly and cogently the path to peace and sustainable development in Malaysia and around the world. ■



## FREE BREAKFAST FOR ALL SCHOOLCHILDREN

Researchers have found that school meal programmes like free breakfasts have positive effects on both health and cognitive outcomes. A 2007 review of 18 different studies discovered that school meal programmes in developing countries not only improved physical growth in disadvantaged schoolchildren, but also saw an average increase in school attendance and mathematics performance. In the United Kingdom, free ‘breakfast clubs’ in primary schools were shown to boost reading, writing and maths results by the equivalent of two months’ progress over the course of a year. In Bangladesh, its School Feeding Programme raised school enrolment by 14.2 percent, increased school attendance by about 1.3 days a month, and increased test scores by 15.7 percent points.

Implementing a similar programme will be crucial to tackle food insecurity in Malaysian schools. The Ministry of Education’s own guidelines for its Supplementary Food Programme [Rancangan Makanan Tambahan (RMT)] stated that it found around 35 percent of primary school pupils display signs of undernutrition while between 15–20 percent of schoolchildren experience ‘invisible hunger’ from skipping meals.

The Education Minister’s recent announcement that the government will study a free breakfast scheme for schoolchildren in the B40 income group is to be lauded. But the Minister’s idea must go further to cover primary school children from all income levels, not just those in the B40 group.

Why? Malaysian children suffer from what experts call ‘the double-burden of malnutrition’, where both undernutrition and overnutrition (obesity) exist in the same population. But this double burden is not just a ‘B40 problem’—the reality is far more complicated than that. While it is more prevalent among the poor, child stunting - which is an indicator for chronic malnutrition in children - cuts across all income levels in Malaysia. In 2016, 29.8 percent of children below five years from households with less than RM1000 monthly income were stunted, while 17.4 percent of children in households earning more than RM 5000 were stunted—both figures significantly higher than the average 6.9 percent rate of other upper middle income countries. When it comes

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to obesity, research has shown that the prevalence of obesity rises with income. This means that tackling nutrition issues in children cannot be confined to only the B40 group.

Secondly, widening free breakfast to all children regardless of income can help defeat the unintended consequences of stigmatisation that may arise from an approach that only targets children from B40 households. Studies have shown that most children are aware of cultural stereotypes by 10 years old, while children from stigmatised groups experience this at an even younger age. In 2015, 29% of 1.4 million eligible children in the United Kingdom did not participate in the Free School Meal programme—the programme was deemed by children to be embarrassing. Children described these free meals as ‘a very specific and visible issue of difference which clearly leads to fears of them being labelled and bullied’. In Canada, it was the parents who were resistant to send children to school food programmes due to this stigma.

In 2003, New York City made school breakfast free for all students regardless of income. Researchers found that participation in this programme increased, with a rise in children who were already previously eligible for free meals.

Moving away from an income-tested breakfast would help dispel the sense that such programmes are only for the poor and ensure that it does not push away children who are most in need of it. It also removes the stigma of parents having to ‘declare’ their poverty in order to obtain aid.

Thirdly, a universal approach would be time- and cost-efficient and help avoid the usual pitfalls associated with targeting based on income or need.

While targeted programmes can have ostensibly lower costs and may ensure resources are focussed on more vulnerable groups, a free-for-all breakfast would reduce the administrative costs of verifying the eligibility of recipients. Further, it will lighten the workload of Malaysian teachers already burdened with administrative duties, allowing them to focus on their teaching.



Crucially, a universal breakfast programme can function as a safety net that can, at the very least, guarantee that children have one nutritious meal a day in the event of an unforeseen financial emergency in the family. The Ministry's existing Rancangan Makanan Tambahan is simply inadequate to perform this role, as it is only available for schoolchildren from households earning less than RM 580–660 a month (figure varies between Semenanjung and Sabah/Sarawak). This is simply too low a threshold that leaves many children unprotected.

It also ensures that the child is protected from the 'cliff effect'. This is where families can lose important welfare assistance once they gain a very marginal salary rise that takes their household income beyond the targeted income threshold. The value of the assistance that is lost is often larger than the income raise. For example, while a family now earns RM 50 more a month, they may lose hundreds more ringgit worth of welfare aid.

Indeed, it is undeniable that free breakfast for all would cost the government more. However, it represents an opportunity to not only provide for the needs of our children today, but possibly transform the practices and habits of generations to come. During the 1930s in Norway, the government introduced to its universal school meal programme the famous 'Oslo breakfast'—bread with margarine, cheese, a glass of milk and a piece of fruit. The prevailing nutrition knowledge of

that time posited that a hot meal may be detrimental to schoolchildren's health and development. Today, the Oslo breakfast is ubiquitous as the Norwegian meal of choice not only in school lunches, but also at work. In 2017, Norway was classed the world's healthiest country—the outcome of astute policymaking of which the Oslo breakfast was a small but effective component.

That being said, a universal breakfast scheme for all primary schoolchildren in Malaysia would not even be too expensive, especially after accounting for administrative costs saved from not having to establish a new means-based verification system.

Using the highest figure of RM 3 per student under the existing Rancangan Makanan Tambahan allocation, breakfast for all 2,685,403 primary school students with 200 schooling days will cost approximately RM 1.6 billion per annum - not even 3 percent of the Ministry of Education's RM 60.2 billion budget. Other interventions beyond the space of this discussion - such as incorporating breakfast into the classroom during teaching hours - can also be explored to further enhance the outcomes of this universal breakfast scheme.

It is a small investment that can help lay the foundations for the futures of our children.

Surely they are worth it? ■

## NEW FRONTIERS IN TRADE AND SERVICES LIBERALISATION IN EAST ASIA AND ASEAN

Recent evidence indicates that the third stage of the 'unbundling' of 'people-to-people' linkages and activities will be the next stage of growth for manufacturing, services and global production value-chain in East Asia.

In the first stage of unbundling, the role of government has become important to drive rapid industrialisation and to overcome coordination failures because of the lumpiness and complexity of industries. There is a common objective across the public and private sectors in terms of driving openness and seeking new global markets. At this stage, trade is necessary for importing key inputs to goods that are then exported. Also observed are efforts to agglomerate activities, since a larger set of activities also helps develop the value chain operations.

In the second stage of unbundling, the ICT revolution and technological improvements lowered communication costs, leading to more production unbundling. We observed greater movement of ideas and more industry-wide division of labour. In the second stage, there is less of a need to build up large supply chains with lower transaction costs to participate in the supply chain. As a result, economies can more easily and more quickly join and participate in the chain. The participating corporations hence the chain itself becomes more 'footloose'. There is more rapid technological change and competition as more cost-competitive economies enter the chain. The services sector will very crucial in creating the service linkages in the global production value-chain. At this stage, we will observe greater growth in services sector in the domestic economy as well as in trade.

In the third stage of unbundling, we will observe further ICT revolution and technological improvements leading to lower face-to-face transaction cost and more 'people-to-people' transaction. At this stage, economies will experience more 'task'-based activities and more fragmentation in 'skills' and services sector activities. We expect more Business-to-Consumer and Consumer-to-Consumer activities. At this stage, there will be significant labour market implications from the third stage of unbundling.

### PROF SHANDRE THANGAVELU

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The impact of information and communication technologies (ICT) at the third stage will have important implications for economic and industrial policy. Information technology such as Artificial Intelligence and Industry 4.0 will have a direct impact on the breaking down of skills and will reduce task-based activities. These technologies will create concentration and agglomeration activities in services and manufacturing. In contrast, communication technologies such as smartphones will likely overcome distances and generate dispersion or fragmentation of activities. Both these innovations have different impacts but share significant effects on the domestic economy and the labour market. Industry policy needs to manage the agglomeration effects and dispersion effects. The question of how to manage and to create the agglomeration effects in the services sector will be important policy discussions for the next stage of growth of East Asia.

At the second stage, we will observe the importance of cities in driving the performance of value chains. There are various mechanisms. One is the capability of attracting and retaining skilled workers. Cities with strong urban and sub-urban amenities tend to be more competitive to attract skilled workers to live and work, adding to the competitiveness of the services sector. More developed countries and cities need urban amenities to attract skilled workers in terms of (a) greater varieties of services and consumer goods; (b) aesthetics and physical settings of infrastructure; (c) good public goods; and (d) convenience and speed of delivery of services. Another role for cities is to shape the way that businesses and people interact with each other to produce ideas about doing things differently, that is, the way that cities can drive creativity. This thereby creates more innovative activities in services-unbundling with new ways of doing business, as well as new types of goods and new production technologies. Cities will be the conduit to link the services activities and to create value in the global production value-chain as ICT technologies create the agglomeration and dispersion activities in the domestic economy. Services liberalisation and urban amenities at the cities will be crucial for boosting the competitiveness

of East Asian and ASEAN economies in the global production value-chain.

The regional and global supply chain activities in Asia are growing and deepening as more mature economies are moving to the second stage of production fragmentation. Newly emerging ASEAN countries are also already building up the industrial base for the first stage of production fragmentation. However, we are also observing certain challenges emerging in the Asian region. The level of liberalisation, particularly services and investment liberalisation, is losing its momentum and slowing down. Asian cities are plagued with high population densities, decreasing the returns to urbanisation through pollution and congestions and limiting their productive contribution to regional growth. The level of trade and investment liberalisation in multilateral agreements such as the Regional Comprehensive Economic Partnership (RCEP) is becoming weaker and tends to be of a very low denomination for further regional integration.

There are several policy issues that have to be addressed as East Asian and ASEAN economies are at different stages of growth in the global production value-chain. Most of the developed ASEAN countries of Indonesia, Philippines, Thailand and Vietnam are at the middle-stage of second unbundling; Malaysia is in the later stage of second unbundling and the ASEAN Least Developed Countries (LDCs) of Cambodia and Lao PDR are now at the beginning stage of second unbundling. Singapore, the city-state is already in the beginning stage of third unbundling.

The key policy issues are:

1. The regional competitiveness and productivity of cities and what drives creativity in urban areas, leading to innovation and more extensive entrepreneurial activities. The critical issues of urban amenities on competitiveness of cities will be on: (i) development of new services at regional and city-level; (ii) movement of people; (iii) impact of technologies; (iv) competitiveness in terms of trade and investment; and (v) the impact on skilled and unskilled workers.
2. The focus of industrial policy in balancing agglomerative effects with dispersion effects will be critical for next stage. The balancing of these two forces will lead to structural changes and affect the locational characteristics of firms across regions and cities. In fact, industrial and social policies to creating sustainable as well as inclusive growth will be critical for the next stage of growth for East Asian and ASEAN countries.
3. Human capital development will be critical and labour market implications of task-based activities will have direct impact on education and human capital development policies in East Asia.
4. Skills development in preparing workers to move from skill-based activities to task-based activities will be critical for the relevance of their human capital for future skills.
5. There is a need to understand services liberalisation and the policies needed to manage services liberalisation in the third stage of unbundling.
6. There is a need to understand the transition (linear or nonlinear effects) and the change in market structure from second stage unbundling to third stage unbundling as there might be significant structural adjustments in the domestic economy. There are likely to be economic as well as social costs in the structural adjustments of the domestic economy.
7. The third stage of unbundling will highlight the importance of the digital economy and services sector development in the region. New-age FTAs have to be developed to manage information flow, which is the 'oil' for the new economy. Issues that will be important are localisation vs globalisation, e-commerce, virtual-migration, virtual-SMEs, AI and Robotics. ■



## WHY MALAYSIA'S RENEWABLE ENERGY POLICIES HAVE NOT MET THEIR TARGETS

### Introduction

Recently, the South Australian government announced a plan to develop the largest 'virtual' power network using the rooftops of 50,000 homes. The plan is to equip each home with a 5kW solar PV System coupled with a 13.5kWh battery. Trial is already underway to install solar rooftops on 1,100 homes. It was further stated that the cost of the exercise would be defrayed by the sale of electricity.

In principle, the virtual power network will be established by connecting all the individual systems to produce a 'virtual' network with a peak capacity of 250MW. Coupled with the lithium ion battery packs, the network would be able to store 675MWh of energy. This is a game changer for a country that has been heavily dependent on coal and gas to generate electricity. Indeed, it is a game changer for any country.

Would such a strategy work for other countries, in particular Malaysia, where close to 90% of electricity generation is derived from fossil fuels—coal and gas? Malaysia's long term energy mix (2050) is expected to be driven mostly by renewable energy (RE) sources, with solar PV accounting for more than 60%. This augurs well for a country that intends to become the 2nd largest producer of solar panels in the world. Transitioning from close to 90% fossil fuel mix to below 30%, however, would require massive investment in new infrastructure and equipment.

### Background

The 10th Malaysia Plan, 2010-2015 (10MP) established a target of 5.5%–6% RE mix through bio-gas, bio-mass, mini-hydro and solar PV. It also saw the introduction of the Feed-in Tariff (FiT) scheme to spearhead the implementation of RE for electricity generation in 2012.

The mechanism of FiT is very simple. It allows for electricity to be produced using approved RE sources, which can then be sold to Tenaga Nasional Berhad (TNB) at a fixed premium price for a specified period. Using solar PV as an example, the rate for rooftop installations can be as much as 3 times the average price charged to users.

DR FUN WOHP PENG

Senior Fellow



Total installed capacity was 378MW at the end of 2015. Against the target of 985MW as stipulated in the 10MP, actual achievement was about 38% of that target, resulting in a significant shortfall of the 5.5% RE target. The FiT, which ran from 2012 to 2017, resulted in a total cumulative installation of just above 500MW.

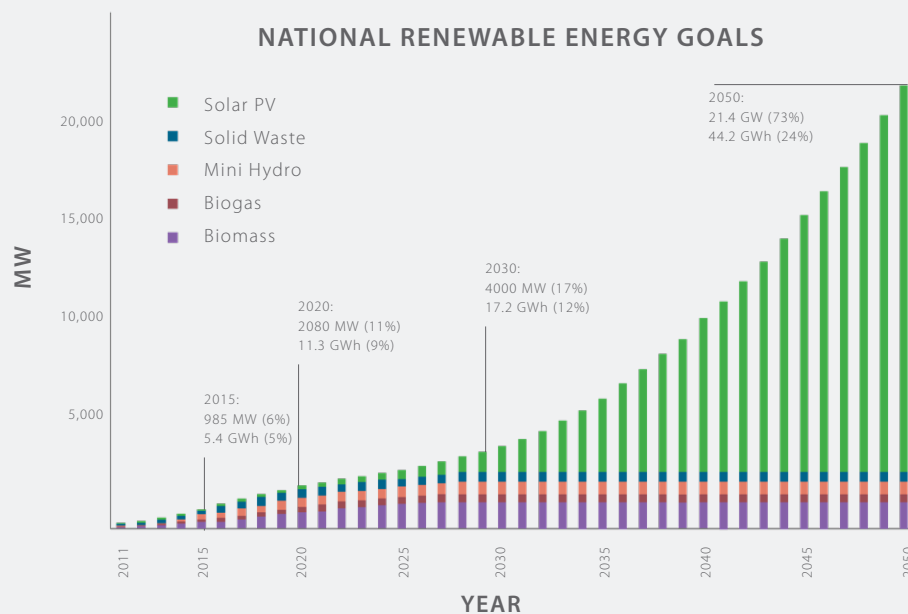
Why did the policy fail? Except for solar PV which drew a large number of applications, other RE sources like bio-gas, bio-mass and mini-hydro attracted very little interest. Among the challenges were the availability of a consistent supply of bio-materials, suitable sites for mini-hydro, land acquisition needed for solar PV, administrative bureaucracy, and a difficult quota system that slowed interest and stopped genuine applicants.

The end of FiT was immediately followed by the much-touted Net Energy Metering (NEM) scheme. The NEM mechanism is again very simple. An electricity customer installs a solar PV system on the rooftop to generate electricity. The customer uses the generated electricity for his or her own consumption and the excess can be sold to TNB at a prescribed rate.

A total of 500MW of capacity for net metering has been allocated for implementation from 2016 to 2020: 100MW for households, 200MW for industry and 200MW for the commercial sector. However, a limit of a 100MW total per year has been imposed. At an average cost of installation at RM4 million per Megawatt (MW), an estimated RM2 billion private funding will be needed. Would any private investors be interested?

### The Economics of NEM

Consider a basic home solar rooftop installation. The current cost of a 5kW system is about RM 30,000. This system can produce an estimated 6,000 kWh per year, giving it a value of approximately RM 2,200 (at RM 0.38/kWh). It will take up to 15 years before the initial investment can be recovered. Of course, the argument is that after the return of the investment almost RM 2,200 worth of electricity will be generated essentially free of



Source: SEDA 2018

charge. However, homeowners do not see the solar PV system as an asset. Hence, the number of applications is expected to be extremely low. Of the total 100MW allowed quota, it would be optimistic to assume even 20% will be taken up.

The economics for industry and commercial solar PV systems are slightly better given that they can apply for Income Tax Allowance (ITA). Even under the best conditions, where 100% of the capital expenditure can be offset against profit, the Return of Investment (ROI) can be up to 8 years. It needs to be pointed out here that the reason businesses make substantial asset investments is to help them make money. Just merely taking back the original investment in 8 years is not attractive. They expect their investment to help make a tidy profit and at the same time be able to amortize the investment over a reasonable period (8 years may be considered acceptable). Under current conditions, however, the economics of NEM solar will not encourage private investments, either by individual home owner or commercial parties.

### Conclusion

In 2017, a reported total of 117,000 GWh of electricity was consumed by all users, and in the same period 828,785 MWh was generated through RE sources. Hence, electricity generated using RE sources accounted for only 0.7% of the energy used with an installed RE capacity of 3.2% against a peak demand of 17 GW. The RE generation output suggests poor use of investment. Furthermore, carbon dioxide emission is a function of generation and not capacity. The introduction of RE sources to reduce carbon emission thus did not achieve the desired effect.

The FiT program, which was intended to spearhead implementation in RE electricity generation, has failed to achieve the target of 5.5% RE. As for NEM, a quick check will show that, to date, less than 10MW of NEM solar PV has been implemented, as compared to its annualized target of 200 MW.

The numbers are extremely discouraging. From a basic cost versus return analysis, it can be expected that the NEM scheme could turn out to be an even bigger disappointment than the FiT it replaced. With less than 10MW implemented and only 2 ½ years left to fulfill the remaining 490MW it appears to be an impossible undertaking to complete. Immediate action is needed to correct any structural difficulties and hopefully put the program back on its intended path.

### Recommendations

While it may not be feasible to make structural changes to the policy, the following few recommendations could provide greater incentives to households, industry and commercial establishments to invest in RE solutions.

1. Provide a 5-year tax deduction (e.g., 50% of investment) to households.
2. Fast track approval of ITA for industry and commercial applications.
3. Allow for the set-up of equipment leasing as a business to encourage the growth of decentralized solar PV systems. This should bring in bigger players, which can spearhead growth and implementation. ■

## SPECULATIVE DESIGN BRINGS BOTTOM UP APPROACH TO HEALTHY AGEING IN PLACE

By 2030, Malaysia is expected to have a population of 5.8 million who will be 60 years and older. Representing more than 16% of the overall population, this figure places Malaysia in the same double-digit territory as its more developed Asian neighbours, such as Singapore. The increased lifespan in our local population brings many opportunities but also new challenges.

The government in Malaysia recognises the complexities on issues related to ageing. The National Policy for Older Persons was launched in 2011 in hopes of addressing the various social, health and infrastructure needs of this growing demographic.

However, the implementation of a national policy is fraught with many obstacles such as extant priorities and limited skillsets as well as knowledge bases, therefore hampering the policy's effectiveness and efficiency for the targeted population. Although the formulation of the PoA is inter-sectoral—involving coordination between the different ministries, agencies, nongovernmental organisations such as the National Council of Senior Citizens Organisation Malaysia (NACSCOM), private sectors, and members of the community—the PoA is still primarily the outcome of a top-down approach.

While there are benefits to having a top-down approach, cultivating voices from non-policy making communities not only enables policy-makers to learn more about what drives these communities, but allows these communities to have more ownership over these policies.

Enter ImaginAging, a team of multidisciplinary experts from Sunway University, Lancaster University, UNU International Institute for Global Health, and Petrosains, all working together to bring participatory-speculative design—which uses participatory design approaches to imagine possible and plausible futures—into communities of older adults in Malaysia to empower them as citizen designers who can then go on to articulate the problems they observe in their everyday lives and begin prototyping solutions.

Three workshops were held between February and April 2018, with assistance of a seed grant from Lancaster University and an internal grant from Sunway University. In the course of running these workshops, the researchers worked on refining and improving on the methodology. To demonstrate the tangible outcomes envisioned by

DR CLARISSA AI LING LEE

Research Fellow



the participants, the researchers took some of the paper prototypes and developed them into showcases of how the methodology works. Among some of the prototypes are a healthcare proposal in the form of a comic book, a sugar neutraliser machine, and a speculative food designing app.

Since then, ImaginAging has introduced speculative design to a variety of stakeholders in Malaysia, from a government ministry to a community of healthcare practitioners. Initial work with small groups of participants have led to the prototyping of toolkits, and there is now attempt to bring the methodology to a more diverse group of communities with different abilities and strengths, thereby expanding the versatility of the toolkits.

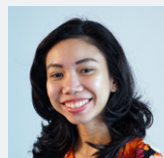
If speculative-participatory design is about pushing the boundaries of the possible and plausible while also tapping into the participants' knowledge and expertise as a collaborative exercise for approaching problem solving, it is also about developing clarity to what is present. In addition, the methodology grasps at the very core of participatory democracy where the lay person is not merely perceived as a passive recipient of whatever policies set in place, but are also experts in their own right. This methodology disrupts the 'business as usual' approach to policy-making.

Nevertheless, this methodology could produce outcomes that are thought-provoking and disruptive to technical experts and bureaucrats alike. Technical experts would have to question the assumptions that they have about their own disciplines and knowledge bases. They must be prepared to let go of any certainty to an outcome they might have predicted using their disciplinary tools and be willing to use a speculative outcome to work backwards to an unanticipated possibility. Bureaucrats may find the methodology difficult to handle since they may find processes familiar to them completely disrupted.

At the end of the day, the main objective of bringing speculative-participatory design to the Malaysian public is to show how speculative-participatory design has the potential for working with indigenous knowledge objects while extending the space for participatory democracy in knowledge-making. Once this methodology is successfully deployed in Malaysia, the next step would be to bring it to other parts of Southeast Asia. ■



## ALIGNING THE SDGS IN MALAYSIA TOWARDS A 1.5°C PATHWAY



**JASMIN IRISHA**

Research Associate

The recently published Intergovernmental Panel on Climate Change Special Report on Global Warming of 1.5°C outlined that we only have 11 years to curb global warming before it hits catastrophic levels. We are now currently at approximately 1°C of global warming above pre-industrial levels, and, if we continue at the current rate, will most likely go way beyond the 1.5°C threshold by 2030.

According to the report, if we want to limit global warming to 1.5°C, we have to cut down emissions by about 45% from 2010 levels by 2030 and be carbon neutral by 2050. The impacts of 1.5°C of warming are severe and will cause major disruptions to the natural and social ecosystem. Currently, the world is moving towards 3°C of global warming by the end of the century if we do not take major reductions in greenhouse gas (GHG) emissions.

Malaysia, along with 192 other member states, adopted the Paris Agreement in 2015. The Paris Agreement is a landmark agreement that aims to strengthen the global response to the threat of climate change by limiting the global temperature rise well below 2°C, preferably 1.5°C. Countries are required to submit the Nationally Determined Contributions (NDCs) to reduce national emissions and adapt to the effects of climate change.

Along with the Paris Agreement, the Sustainable Development Goals (SDGs) was also adopted in 2015. The SDGs set out a fundamental framework for mitigation action to limit the risk of global warming to 1.5°C, including poverty eradication, reduction of inequality and climate action. This means that countries have to incorporate and implement the 17 SDGs nationally, and fast.

The recent Conference of Parties (COP) that took place in December 2018, in Katowice, Poland, was deemed as ‘the next most important COP post Paris’. Malaysia was represented for the first time ever at COP, with YB Yeo Bee Yin, the Minister of Energy, Science, Technology, Environment and Climate Change (MESTECC), acting as Head of Delegation. At the climate negotiations, YB Yeo called for less burdensome paperwork, greater climate action and increased international cooperation.

Under the leadership of YB Yeo, the outlook of MESTECC

seems promising. It was announced that the new Pakatan Harapan government has committed to drafting a Climate Change Act, be more data driven, and to build on the capacity of the Climate Change Department in the Ministry.

However, the core question to be explored is whether Malaysia is doing enough to avoid 1.5°C of global warming. To achieve this, Malaysia has to pursue a deep decarbonisation pathway and incorporate SDGs across sectors towards a sustainable, socially just, and low carbon future.

To rely on Malaysia’s climate pledges alone is not enough. Malaysia’s NDC states that Malaysia intends to reduce its GHG emissions intensity of GDP by 45% by 2030 relative to 2005, with an unconditional 35% and another 10% upon receipt of climate finance, technology transfer and capacity building from developed countries. It is worth noting that we commit to reduce the GHG emissions intensity relative GDP, and not an absolute emission cut. Theoretically, this means that as long as our GDP continues to grow, so can our GHG emissions—yet our pledges would still be met. We simply need to have more ambitious climate commitments.

Systematically, there needs to be more fundamental societal transitions to facilitate sustainable development, especially in the context of developing countries. This would align with the conditional aspect of NDCs, which include strengthening capacities for climate action and international cooperation in terms of technological advancement and financial assistance. While it is important for Malaysia to have ambitious commitments, it is equally important to uphold the core principle of common but differentiated responsibilities and respective capabilities, which emphasise that developed countries should do more in terms of mitigation action due to historical contribution to climate change.

The integration of SDGs at the national and sub-national level and the involvement of civil society, the private sector and the local community are critical to drive the nation forward towards a climate-resilient pathway. The synergy that coexists between SDGs and climate change is one that needs to be addressed simultaneously, with the support of enhanced political will to achieve a 1.5°C world. ■

## MALAYSIA'S POWER SYSTEM AND CLIMATE CHANGE

In 2016, Malaysia pledged to reduce its carbon emission intensity by 45% by 2030. At first glance, this appears to be an ambitious target, until the use of 'intensity' as a target is further examined. In this case, it refers to a country's carbon emissions relative to its gross domestic product (GDP). Using this definition, Malaysia will be on track to achieve this target as long as the GDP rate grows at the same rate or faster than the growth of carbon dioxide emissions. The result of this is that Malaysia's carbon emission in absolute terms will continue to rise in the coming years even if it adheres to its intensity-based target.

When Malaysia's carbon emissions are measured in absolute terms, adjusted for its population, we will see that Malaysia's CO<sub>2</sub> emissions per capita of 8.0 metric tons is high when compared with the average emissions of upper middle-income countries of 6.7 metric tons per capita. This means Malaysia is polluting more than it should.

Currently, Malaysia's carbon emissions stem mainly from two energy-intensive sectors, electricity (54%) and transportation (29.7%). This article will focus on electricity generation and distribution in Peninsular Malaysia as it consumes nearly 80% of the nation's power.

Peninsular Malaysia's electricity generation fuel mix is made up of 46.7% coal and 48.5% gas. Not only are fossil fuels used to generate most of the electricity, but our efficiency levels are also relatively low. Based on data from the Energy Commission, the installed generation in 2016 was 25,401 MW while the year's maximum consumption of 17,788 MW, an excess of 7,613MW or roughly 43%.

While a certain reserve margin is necessary for stable and secure energy supply, benchmarks against our East Asian counterparts suggest that Malaysia's target reserve margin of 30% is too high and that unnecessary wastage is occurring. The target reserve margin for Korea in 2030 is set at 22%. This target reserve margin for Korea is lower than Malaysia's 30% even though 33.7% of the generation capacity is from intermittent renewable energy such as solar and wind. In comparison, Malaysia in 2017 only has 3% of intermittent generation capacity in the form of solar panels. In the case of Taiwan, they plan to meet their reserve margin target of 15% by 2019. This reserve margin was set even though in 2016, Taiwan's intermittent renewable energy such as solar and wind had reached 4.8% and is expected to reach 20% by 2025.

**JEREMY LIM**  
Research Associate



Based on Malaysia's currently disclosed plant-up plans and projection for electricity consumption growth from now till 2023, it is estimated that Malaysia should be able to retain a reserve margin of 29% in 2023, still higher than the targets of South Korea and Taiwan of 22% and 15% respectively. This can be achieved without adding any new plants till 2023 beyond what has already been planned. In principle, it would be possible to recommend a cessation of any further plans for new fossil fuel generation plants until after 2023 without compromising reliability.

Beyond optimising our generation supply, the transmission and distribution of electricity in the Peninsular could be further improved. According to the International Energy Agency, Malaysia recorded approximately 6% loss of transmission and distribution losses, which is the amount of energy loss between the generators and the loads. While the rate of losses is admirable for a developing country, there is much room for improvement in comparison to global powerhouses such as South Korea and Japan.

According to Tenaga Nasional's own reporting, the majority of the energy losses are occurring within the distribution portion of their network, or the low voltage portion (33kV or less) of the network. This is evidenced by distribution losses of 6.21% which is 83% of total losses in 2017. This is in contrast with transmission losses of 1.29% which accounts for only 17% of total losses.

A number of measures can be taken to reduce the losses within the electrical system through higher voltages and reduced cable length. Among them would be to accelerate the upgrading of old cables that utilize outdated voltages. As these cables are typically found in older and more rural areas, upgrading them to the higher 11kV and 33kV will reduce the distribution losses.

One very important measure to be considered is to add feeder boxes to the distribution network so that the share of higher voltage 11kV lines, will be higher vis-à-vis the share of lower voltage lines of 400V/230V. This can be achieved by placing new feeder boxes closer to the premises of the consumer.

Implementing some of these simple measures to optimise our electricity grid are important first steps in reducing systems losses and wastages, therefore reducing the amount of carbon we put out into the atmosphere. ■

## KEEPING THE PROMISE OF REFORM

14 MAY 2018

**Dr Maszlee Malik**, *Parti Pribumi Bersatu Malaysia*  
**Liew Chin Tong**, *Democratic Action Party*  
**Wan Saiful Wan Jan**, *Merdeka Center for Opinion Research*  
**Ibrahim Suffian**, *Merdeka Center for Opinion Research*  
**Dr Wong Chin Huat**, *Penang Institute*  
**Prof Woo Wing Thye**, *Jeffrey Cheah Institute on Southeast Asia*

The Jeffrey Cheah Institute on Southeast Asia (JCI) hosted a public forum to discuss the outcome of the 14th Malaysian General Election, which heralded the first ever regime change in Malaysia's history, as the erstwhile ruling coalition, which had enjoyed an uninterrupted reign since Malaya's independence in 1957, was voted out of power.

The first panel comprised of three Pakatan Harapan members who had contested in the recent election: Dr Maszlee Malik, Liew Chin Tong, and Wan Saiful Wan Jan.

Wan Saiful Wan Jan, former Chief Executive Officer of the Institute for Democracy and Economic Affairs (IDEAS) and Pengadun parliamentary candidate, kickstarted the panel by describing his involvement in the drafting of the manifesto of the Pakatan Harapan coalition with the theme: 'Rebuilding our Nation, Fulfilling our Hopes'. He regretted that the coalition never got the chance to delve deep into the manifesto's institutional reform, which constituted one-third of the document. Wan Saiful reinforced the point that the government and the civil service need to ensure that the manifesto promises are kept.

The second panellist, Liew Chin Tong, offered his hypothesis on why people voted for Pakatan Harapan. First, the public wanted institutional reforms, including a strong cabinet and parliament, a free press, and independent anti-corruption and election commissions. Second, the public voted for economic policies centred upon the wellbeing of the people.

The last speaker of the panel was Dr Maszlee Malik, the newly-elected Member of Parliament for Simpang Renggam, who was later appointed Minister of Education. Dr Maszlee suggested the idea of regular town hall sessions to allow issues and concerns faced by voters to be raised



to their elected representatives; as well as an annual report card of elected representatives' performance.

The second panel was made up of Ibrahim Suffian, Dr Wong Chin Huat and Professor Woo Wing Thye.

Ibrahim Suffian, Programme Director of Merdeka Center for Opinion Research, began by discussing the confluence of factors that brought on the election result. From Merdeka Center's research, they discovered that a lot of the votes were motivated by Pakatan Harapan's promise to abolish GST, corruption, ethnic issues, and what Ibrahim simply called the 'Mahathir' effect.

The second speaker, Dr Wong Chin Huat, Head of the Institutional Reforms and Governance Programme of the Penang Institute stressed the need to be pragmatic as reform is not about PH replacing BN, but to transcend BN. He further explained that the BN system was one that prevented any form of competition from flourishing, which in turn made the coalition uncompetitive. Dr Wong forewarned that if PH were to become like BN then they would most certainly have an external opposition as well as dissent from within.

The final speaker was JCI's very own Professor Woo Wing Thye who emphasized the importance of fiscal decentralization, which is the transfer of fiscal authority from central government to state and local governments. However, he noted that fiscal decentralisation cannot occur unless there is also administrative decentralisation. Local issues are best understood by the states and they would be the more informed decision-makers. He then went on to assert that there is a need for multiple centres of economic activity. A lone metropolis such as Kuala Lumpur is an unhealthy and unsustainable model. ■



Dr Suresh Marcandan highlighted the need to address the elephant in the room when it comes to education in Malaysia. Some of the pressing, overlooked challenges are:

1. Lack of institutional desire to excel in research;
2. Undeclared ethnic preference that permeates the Malaysian state and public sector;
3. Public education is more oriented towards community outreach or CSR.

He supported Tun Mahathir's 'Vision School' concept, recognising it as one of the best ways to facilitate integration. Dr Suresh also stressed on vocational training and English language as the key tools for education reform.

With 28 years of experience in the oil and gas sector, Zulkifli Abd Rani discussed issues related to the development of quality human capital in the energy industry. He highlighted that as Malaysia approaches Vision 2020, making the most out of its talent pool will be critical for the economy to move up the value chain, especially in the energy industry. Zulkifli pointed out that there is a syllabus mismatch in the current

## IMPROVING MALAYSIAN HIGHER EDUCATION

5 JUNE 2018

**Dr Suresh Marcandan**, *PT People Power International, Indonesia*  
**Zulkifli Abd Rani**, *UTM-MPRC Institute for Oil and Gas*  
**Tan Sri Professor Ghauth Jasmon**, *Jeffrey Cheah Institute on Southeast Asia*

education system, commenting that universities are not providing courses that the industry wants. To solve this problem, universities must pursue industry collaboration instead of its current preoccupation with chasing rankings.

In light of the recent general election, JCI Senior Fellow Prof Ghauth Jasmon spoke about Pakatan Harapan's promised reforms of the education system. He began his talk by touching on Pakatan Harapan's belief that education must be free, especially in public universities and institutes of higher learning. In addition, these institutions must also have autonomy to carry out their responsibilities. Using Universiti Selangor (UNISEL) as a case study, he highlighted how the university is currently adopting free education in stages, despite having to bear the burden of debt from the previous administration. Prof Ghauth also discussed the promised repeal of the Universities and University Colleges Act (AUKU) and other university governing acts. He stated that the repeal would foster creative, critical and analytical thinking among the younger generation, and further equip them with social, civic and leadership skills. ■





Dr Vaseehar posited that understanding the nature of the Malay psyche is critical to understanding these political shifts. According to Dr Vaseehar, elitism crept in the subsequent administrations after Dr Mahathir's premiership. He lamented that even cabinet members from non-elite backgrounds began to behave like elites and distanced themselves from the common man. The gradual encroachment of elitism into the UMNO leadership led to a slow decline in the eyes of Malay society.

Syed Saddiq, the Minister of Youth and Sports, remarked that while the Malay vote was important, the youth vote was also significant in influencing the results. In the 2013 general election, approximately 36 percent of voters were under 40 years of age. In the 2018 election, that increased to 41 percent—indication of an increase in the number of youths who registered to vote. Despite the perception of mass political apathy among Malaysian youngsters, youth voter turnout for this election was one of the highest relative to other countries.

## THE CHANGED POLITICAL LANDSCAPE AND THE ASPIRATIONS OF THE YOUTH

9 JULY 2018

*Datuk Dr Vaseehar Hassan, Kets de Vries Institute*  
*Syed Saddiq Syed Abdul Rahman, Ministry of Youth and Sports*  
*Lim Yi Wei, Selangor State Assembly*  
*Liew Chin Tong, Ministry of Defence*

However, Saddiq cautioned that this political shift could be reversed if change is too hastily pursued. Backlash from opposition forces like UMNO and PAS could contribute to this reversal. Institutional reforms need to be put in place as quickly as possible in order to establish democratic norms and practices. This would ensure that a reform agenda can continue regardless of who is in power. The potential emergence of hardline right-wing politics from a merger between PAS and UMNO is something to look out for given their influence on the Malay vote. The Minister recommended that the way forward for Pakatan Harapan would be to position themselves as a centrist multiracial coalition.

Lim Yi Wei, Selangor State Assemblywoman for Kampung Tunku, started her speech by recalling her time in Hong Kong, witnessing the student-led Umbrella Revolution in which Hong Kong citizens demanded their right to elect their leaders. Inspired by this event, she decided to come back to Malaysia and take part in politics. Yi Wei affirmed that the desire and enthusiasm for change that started on the 9th of May should be continued by openly discussing topics and subjects that are often deemed sensitive. ■

## IS CHINA HEADING TOWARDS A CRISIS?

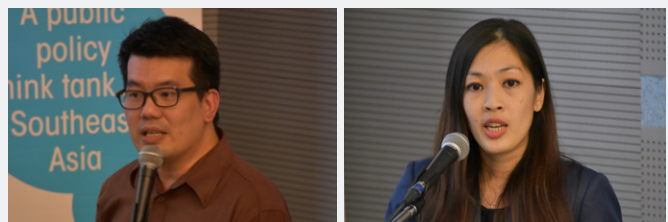
28 AUGUST 2018

*Dr Ngeow Chow Bing, Universiti Malaya*  
*Dr Nur Shahadah Jamil, Universiti Kebangsaan Malaysia*  
*Prof Woo Wing Thye, Jeffrey Cheah Institute on Southeast Asia*

Unlike traditional parliamentary democracies where there is some overlap between the ruling political party and the offices of state, China has a parallel structure in which the Chinese Communist Party (CCP) overshadows the state. In this system, the CCP makes all the state's most important personnel and policy decisions, as well as carries out their implementation. Xi Jinping stands at the head of this system.

Dr Ngeow, Acting Director of the Institute of China Studies in Universiti Malaya, pointed out that one marked difference of Xi's term as president is his break with traditions in the CCP. Dr Ngeow posited that Xi did not name a successor, as past presidents have done, because Xi believes this system of successors constrains the office of president and its ability to challenge vested interests within the party state. The removal of term limits and the inclusion of his own thought into the party constitution while in office are just some of the other rules he has broken. According to Dr Ngeow, Xi has also been able to consolidate a faction around himself and alter the party's internal dynamics. Dr Ngeow hypothesised that Xi is able to centralise all this power, not primarily because he is power-hungry, but because the party is enabling him to do so in order to reform Chinese governance. However, he may be overstepping—this has invited backlash from some quarters of Chinese society. Missteps in foreign policy and difficult economic circumstances pose a potential threat to Xi's leadership and the entire system that he has centralised.

Dr Nur Shahadah, Research Fellow at the East Asian International Relations Caucus in Universiti Kebangsaan Malaysia, opened her



presentation by highlighting that there has been a shift away from China's traditional non-confrontation strategy due to the country's rise in international status. This has led to a tendency to use more a more assertive approach than the usual cooperative measures. The South China Sea dispute demonstrates this new tendency through the increased construction of artificial islands and China's willingness to deploy its forces in the disputed waters. Xi's second term continued this trend of assertiveness.

A major factor behind this new posture is the looming threat of US isolationism. This assertiveness is also manifesting in Xi's public rhetoric: issuing stern threats against separatism, evoking nationalism in defence of the motherland, and even citing the artificial islands in the South China Sea as achievements. Dr Shahadah speculated that the future of Chinese foreign policy would continue to be characterised by this assertiveness. She predicted that Xi's drive to cement his legacy will push him towards greater consolidation of power. This is already borne out in his restructuring of the foreign policy apparatus within the CCP and the Chinese state.

Prof Woo in his presentation provided an analysis of the US-China trade war. Prof Woo opined that the trade imbalance between the two countries is actually rooted in China's high savings rates and dysfunctional financial system on one hand, and America's soaring military spending and tax cuts on the other. Prof Woo said that instead of a singular global power, regional hegemony like China and the US will be required to coordinate free trade in this new 'multipolar' world. ■

## LEADERS IN SUSTAINABLE DEVELOPMENT

30 - 31 OCTOBER 2017

**Professor Jeffrey Sachs**, Chairman of the Jeffrey Sachs Center on Sustainable Development  
**Dr Guido Schmidt-Traub**, Executive Director of the UN Sustainable Development Solutions Network  
**Professor John Thwaites**, Chair of ClimateWorks Australia and the Monash Sustainability Institute  
**Aromar Revi**, Director of the Indian Institute for Human Settlements

The Jeffrey Sachs Center's inaugural Executive Training Program was attended by a diverse group of leaders of both public and private sector organisations from Malaysia, Vietnam, India, Indonesia and China.

The program kicked-off with a lecture by Professor Jeffrey Sachs on how to plan for a significant change of direction on a national and sub-national level - including policy imperatives; how to engage businesses to adopt new perspectives; and how to garner multi-party buy-in to make sustainable development a reality.

The second module by Dr Guido Schmidt-Traub gave an in-depth understanding of the SDG Index; highlighting how it plays a vital role in monitoring historical progress; planning and preparing for the future; governing more effectively; and mobilizing stakeholders towards greater ambition and better performance.

Professor John Thwaites delivered an interactive third module on how behavioural sciences can and should be applied in order to achieve the SDGs; in addition to good policy, technology and financing. He



presented a model for designing better behaviour change programs through exploration, immersive problem-solving and application.

Professor Jeffrey Sachs came back for module four on the topic of designing and financing an SDG-based public investment program, exploring sources of finance and how to efficiently channel them into the six forms of capital for the SDGs, namely: infrastructure; human capital; natural capital; business capital; intellectual capital; and social capital.

Day two of the program began with Professor Sachs' presentation of a methodology for goal-based planning which included performing ambitious benchmarking that is reflective of what is crucially required. The second half of the session was an interactive discussion between Professor Sachs and the participants on how their respective governments are approaching the SDGs.

The sixth and final module was delivered by Aromar Revi on opportunities and challenges as well as innovative solutions for sustainable global urbanization. ■

## GREEN FINANCE FOR ENERGY SECURITY AND SUSTAINABLE DEVELOPMENT

14 JANUARY 2018

Professor Yoshino began his opening speech for the conference by highlighting the issues of flighty private capital due to the low rates of returns from utility charges, and social demand for said utility charges to be suppressed on the grounds of them being a public good. He proposed the use of tax revenues from the spillover economic activities of green energy projects as subsidies for said projects.

In response to Professor Yoshino, Professor Jeffrey Sachs lamented the lack of national, regional and global leadership in formulating strategies to face an urgent need to completely decarbonise global energy systems by 2050 if we intend to keep within the 2-degree limit for global temperatures. He suggested utilising AI-equipped smart grids, expanding R&D budgets for green technologies, and channelling public funds into direct investment in green energy.

Dr Noh Hee Jin discussing the various financing models used around the world that could serve a green growth agenda, noted that in a risky green energy venture, governments should step in to incentivise firms to see its green value as financial value; otherwise, firms would only take into account financial value and risk.

The participation of non-bank financial institutions (NBFIs) in green finance was elaborated by Gianni Lorenzato. He affirmed that the creation of asset classes by such institutions that directly invested in green finance and creates greater accountability by firms for their environmental impact.

Professor Aki Suwa spoke on community-based green finance, citing the case of Japan where citizens invested in green energy through

**Professor Naoyuki Yoshino**, Asian Development Bank Institute  
**Professor Jeffrey Sachs**, UN Sustainable Development Solutions Network  
**Dr Noh Hee Jin**, Korea Securities Computing Corporation Institute  
**Gianni Lorenzato**, World Bank Group  
**Professor Aki Suwa**, Kyoto Women's University  
**Takashi Hongo**, Mitsui & Co Global Strategic Studies Institute  
**Dr Maria Teresa Punzi**, Vienna University of Economics and Business  
**Associate Professor Ivan Diaz-Rainey**, Otago Energy Research Centre

the use of community funds. Residents of Ikoma City, Nara Prefecture brought together the city government, a gas utility company, and local banks to establish a power company for generating renewable energy. This power company offered cheaper electricity and gave residents a sense of ownership over the company.

During his presentation, Takashi Hongo asserted that the carbon capture and storage (CCS) systems, coupled with fossil fuel energy sources are crucial in making up for the intermittence of renewable energy sources like solar and wind. A carbon tax or carbon trading system is needed as a source of subsidies if these systems are to ever achieve financial viability and mass adoption.

Dr Maria Teresa Punzi utilized an environmental dynamic stochastic general equilibrium (E-DGSE) model to show how exogenous shocks, that in principle boost the economy, disadvantaged riskier green firms that would be hard pressed to find funding through conventional means. Her recommendation was to loosen the capital requirement on green firms to allow them to sustain their projects under such conditions.

The conference concluded with a case study experimentation with green energy finance in Australia, politically unstable and dependent on coal, and New Zealand that run largely on renewables (85% in 1995) but emits greenhouse gases heavily from its agricultural sector. Associate Professor Ivan Diaz-Rainey summarised with the need for reform of oligopolistic electricity markets through decentralisation and greater political commitment to see through any energy transition in order for any national energy policy to have longevity and public credibility. ■



The theme for the 9th World Urban Forum (WUF9) was 'Cities 2030 - Cities for All: Implementing the New Urban Agenda', a theme that resonates with Jeffrey Sachs Center on Sustainable Development's own aspirations to be the leading center of research and knowledge for cities in Southeast Asia. The complementarity of the New Urban Agenda and SDG11 (Sustainable Cities and Communities) provides the opportunity to integrate policies and actions that address multiple urban related issues; and to develop strategies and plans to realise sustainable cities. Based on this new policy agenda, the JSC shared its work in areas such as education, energy solutions, and social inclusion of children, youth and the elderly.

At WUF9, Amirah Majid was invited by SDSN Youth to share the work of JSC, particularly its youth-centered activities that equip and guide youth to become co-creators of smart, innovative, inclusive and sustainable cities and communities. Professor Leong Choon Heng presented on talent development for sustainability and shared his experience developing and delivering blended learning

## WORLD URBAN FORUM 2018: ADVANCING SUSTAINABLE CITIES AND COMMUNITIES

7 - 13 FEBRUARY 2018

workshops using modules from the SDG Academy's Online Courses. Dr Fun Woh Peng spoke about on-going efforts within Sunway City to deploy solar energy thereby reducing dependence on the carbon-intensive national grid. Dr Clarissa Lee represented JSC at the Older Person's Roundtable that was held to address the formal and informal barriers prevent older persons from being included in public consultations on urban planning. Speaking at the Roundtable on Children and Youth, Jasmin Irisha Jim Ilham gave an overview of the engagement of youth and children at the WUF9 and presented the inclusive urban ideas and solutions that emerged from those engagements. Andrew Fan highlighted the importance of measurable indicators to facilitate evidence based policy making.

Sunway City played host to two delegations of WUF9 participants on technical visits on the theme of 'Urban Solutions and Innovation'. Karen Chand spoke of Center's various research and educational projects as part of 'The Solutions Initiative' of the UN Sustainability Development Solutions Network (SDSN). ■

## CITIZENSHIP AND HOUSING EDUCATION FOR THE SDGS

OCTOBER - NOVEMBER 2018



In partnership with the Petaling Jaya Parliamentary Office Democracy and Housing Work Stream and local non-governmental organisation MyPJ, JSC organized four workshops to address issues faced in low-cost high-rise residential areas and empower citizens to effectively raise concerns with local authorities. One of the factors that contribute towards the increased dilapidation of urban low-cost high-rises is the inability of residents, Joint Management Boards (JMBs) and Building Management Committees (MCs) to manage the buildings they reside in.

The objective of this workshop series was to empower residents to use legislative regulatory frameworks such as the Strata Management Act and Standard House Rules to achieve the goal of safe, clean, harmonious, and liveable communities. The sessions aimed to help low-cost residential communities

**YB Maria Chin Abdullah**, Member of Parliament, Petaling Jaya

**Derek Fernandez**, Local Councillor, MBPJ

**Prof Leong Choon Heng**, Deputy Director,  
Jeffrey Sachs Center on Sustainable Development

**Jeffrey Phang**, Chairman, MyPJ

**Ranjinath Muniandy**, MyPJ

**GM Lian**, MyPJ

**Ngian Siew Siong**, Former Chairman,

Real Estate and Housing Developers' Association Malaysia (REDHA)

**Mazni Ibrahim**, Malaysian Centre for  
Constitutionalism and Human Rights (MCCHR)

**Lee Sui Lun**, P105 Parliamentary Office Housing Steering Committee

**Eric Chew**, Bukit Gasing Neighbourhood Watch

**Idzuali Hadi bin Kamilan**, Parliamentary Researcher

**Yap Swee Seng**, Executive Director, Bersih

to deal more effectively with their city councillors, members of the state assembly, and members of Parliament by deepening their understanding of these different roles and city council processes. The workshops sought to address the overlap between citizenship rights and housing rights by improving knowledge of local governance systems and empowering residents to exercise effective civic leadership. First, participants were briefed on the organisational structures of local governments. Following that, they were exposed to channels of escalating local issues through the municipal council complaints system. Participants were then presented with various leadership models and asked to reflect upon the leadership structures within their own community. Each session concluded with residents highlighting the issues they face and discussing with facilitators on how best to move ahead with each local issue. ■

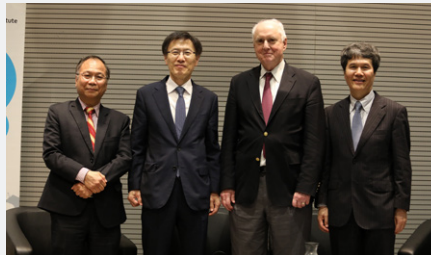


# EVENT HIGHLIGHTS



◀ The Jeffrey Sachs Center hosted World Urban Forum delegates who visited Sunway City on technical visits on the theme of 'Urban Solutions and Innovation'. Participants were able to observe first-hand the making of a model 'Smart Sustainable City' that Sunway developed from what was once a barren mining wasteland.

(L-R) Prof Woo Wing Thye with Prof Dwight Perkins of Harvard University, former Foreign Minister of South Korea Prof Yoo Young-kwan and Prof Kiyohiko Nishimura of Japan's National Graduate Institute for Policy Studies at the JCI Forum on 'Economic Anxieties in East Asia.'



Students from Hong Kong University were hosted by the Jeffrey Sachs Center on a three-week long sustainability awareness programme, which involved sustainable development workshops and field visits to an orang asli village and low-cost urban flats.



▲ (L-R) Pujut State Assemblyman YB Dr Ting Tiong Choon listening on as Dr Pauline Leong of Sunway University makes a point at the JCI Forum on 'Social Media in the New Malaysia'.



◀ Prof Leong Choon Heng, Deputy Director of the Jeffrey Sachs Center and Director of the Social Progress Programme at the Jeffrey Cheah Institute, speaking on talent development for sustainability at the 9th World Urban Forum.

Prof Woo with Member of Parliament for Permatang Pauh YB Nurul Izzah and Penang Institute's Head of Institutional Reforms and Governance Programme Dr Wong Chin Huat at the JCI Forum on 'New Malaysia Rising'.



▲ JSC Chairman Prof Jeffrey Sachs presenting a module at the Jeffrey Sachs Center's inaugural Executive Training Programme.

▲ Dr Jayant Menon, Chief Economist at the Asian Development Bank in Manila speaking at the JCI Forum on 'Challenges for the Next Phase of Malaysia's Development'.



▶ JCI Deputy President and JCI Senior Fellow Prof Shandre Mugan Thangavelu addressing the audience at the JCI World Economic Outlook.



▲ JCI Senior Fellow James Chin (back to camera) moderating a panel discussion featuring Batang Sadong Member of Parliament YB Dato' Seri Nancy Shukri, Pangkor state assemblyman YB Dato' Sri Dr Zambry Kadir, and Lembah Pantai Member of Parliament YB Fahmi Fadzil.



# JCI-JSC EVENTS 2018

DATE	TOPIC	SPEAKERS
<b>12 JAN 2018</b> <b>JCI Forum</b> <i>In collaboration with Transformasi Nasional 2050</i>	TN50: The Road Ahead	<p><b>Johan Mahmood Merican</b>, Deputy Director General (Human Capital) and Head of TN50 Special Unit, Economic Planning Unit, Prime Minister's Department</p> <p><b>Professor Tan Sri Lin See-Yan</b>, Research Professor, Sunway University and former Deputy Governor of Bank Negara Malaysia</p> <p><b>Professor Woo Wing Thye</b>, President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University</p>
<b>14 JAN 2018</b> <b>JSC Workshop</b> <i>In collaboration with ADBI Institute</i>	Green Finance for Energy Security and Sustainable Development	<p><b>Professor Emeritus Naoyuki Yoshino</b>, Dean, Asian Development Bank Institute and Professor Emeritus, Keio University, Japan</p> <p><b>Dr Farhad Taghizadeh-Hesary</b>, Faculty member, Keio University, Tokyo, Japan</p> <p><b>Dr Gianfranco Gianfrate</b>, Research Fellow, Harvard University and Erasmus University</p> <p><b>Dr Bihong Huang</b>, Research Fellow, Asian Development Bank Institute, Japan</p> <p><b>Dr Magali Dreyfus</b>, CNRS Researcher, Lille University, France and Visiting Scholar, National Graduate Institute for Policy Studies (GRIPS), Japan</p> <p><b>Dr Takashi Hongo</b>, Senior Fellow, Mitsui Global Strategic Studies Institute, Japan</p> <p><b>Professor Aki Suwa</b>, Professor, Kyoto Women's University, Japan</p> <p><b>Dr Hee Jin Noh</b>, Executive Auditor Director, KOSCOM, Republic of Korea</p> <p><b>Dr Maria Teresa Punzi</b>, Assistant Professor, Vienna University of Economics and Business, Austria</p> <p><b>Associate Professor Ivan Diaz-Rainey</b>, Associate Professor, Otago Energy Research Centre (OERC) and Department of Accountancy and Finance, University of Otago, New Zealand</p> <p><b>Dr Gianni Lorenzato</b>, Senior Finance Advisor, The World Bank, Washington DC, USA</p> <p><b>Professor Woo Wing Thye</b>, President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University</p> <p><b>Professor Jeffrey D. Sachs</b>, Chairman, Jeffrey Sachs Center on Sustainable Development, Sunway University and Special UN Advisor on the Sustainable Development Goals</p>
<b>26 JAN 2018</b> <b>JCI Public Lecture</b>	New Media and Politics in Southeast Asia: Social Media, Citizens and The Digital Revolution	<p><b>Dr Ross Tapsell</b>, Director, ANU Malaysia Institute, Australian National University</p>
<b>6 MAR 2018</b> <b>JCI Forum</b>	World Economic Outlook 2018	<p><b>Professor Mohamed Ariff Syed Mohamed</b>, Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Head, Department of Economics and Finance, Sunway University Business School</p> <p><b>Professor Shandre Mugan Thangavelu</b>, Vice President, Jeffrey Cheah Institute on Southeast Asia, Sunway University</p> <p><b>Professor Woo Wing Thye</b>, President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University</p> <p><b>Professor Yeah Kim Leng</b>, Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University</p>

<b>13 MAR 2018</b> JCI Forum	Is the Higher Education Sector Contributing Towards the Sustainable Competitive Advantage of Malaysia? If Not, Why Not?	<b>Dr Suresh Marcandan</b> , President Director, PT People Power International
	Malaysian Universities Transformation for Survival Beyond 2020	<b>Tan Sri Professor Ghauth Jasmon</b> , Board Member, Sunway University and Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University
<b>19 MAR 2018</b> JCI Forum	The Nuclearisation of North Korea: Can One Get Off a Tiger Safely?	<b>Professor Yoon Young-kwan</b> , Professor Emeritus of International Relations, Seoul National University, Former Minister of Foreign Affairs, Republic of Korea, and Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University
		<p>Moderator:</p> <p><b>Professor Karen Thornber</b>, Victor and William Fung Director, Harvard University Asia Center, Professor of Comparative Literature and of East Asian Languages and Civilizations, Chair, Harvard University Asia Center Council and Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University</p>
<b>20 MAR 2018</b> JCI Forum	Economic Performance Anxieties in East Asia	<p><b>Tan Sri Dr Lin See-Yan</b>, Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University, Research Professor, Sunway University and Former Deputy Governor of Bank Negara Malaysia</p> <p><b>Dr Chalongsob Sussangkarn</b>, Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University, Distinguished Fellow, Thailand Development Research Institute and Former Finance Minister of Thailand</p> <p><b>Professor Dato' Dr Tan Tat Wai</b>, Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Research Professor, Sunway University</p> <p><b>Tan Sri Professor Ghauth Jasmon</b>, Board Member, Sunway University and Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University</p> <p><b>Professor Dwight Perkins</b>, Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Harold Hinchings Burbank Research Professor of Political Economy, Harvard University</p> <p><b>Professor Kiyohiko Nishimura</b>, Member of the International Academic Advisory Council, Jeffrey Cheah Institute on Southeast Asia, Sunway University, Professor of Economics, National Graduate Institute for Policy Studies, University of Tokyo and Former Deputy Governor of the Bank of Japan</p> <p><b>Professor Woo Wing Thye</b>, President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University</p>
<b>29 MAR 2018</b> Sustainability Series Series <i>In collaboration with Sunway iLabs</i>	Sustainability Series #1 Fast Fashion	<i>Documentary screening</i>

<b>3 MAY 2018</b> <b>Sustainability Series</b> <i>In collaboration with Sunway iLabs</i>	Sustainability Series #2 Single-Use Plastic	<i>Documentary screening</i>
<b>14 MAY 2018</b> <b>JCI Forum</b>	Keeping the Promise of Reform	<b>Wan Saiful Wan Jan</b> , Founding Chief Executive of IDEAS <b>Dr Maszlee Malik</b> , Bersatu MP <b>Liew Chin Tong</b> , DAP candidate, Ayer Itam <b>Ibrahim Suffian</b> , Co-founder and Director of Programs, Merdeka Center for Opinion Research <b>Dr Wong Chin Huat</b> , Head, Institutional Reforms and Governance Programme, Penang Institute <b>Prof Woo Wing Thye</b> , President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University
<b>5 JUN 2018</b> <b>JCI Forum</b>	Improving Malaysian Higher Education	<b>Suresh Marcandan</b> , Managing Director, PT People Power International, Indonesia <b>Zulkifli Abdul Rani</b> , Adjunct Professor / Corporate Fellow, UTM-MPRC Institute for Oil & Gas <b>Tan Sri Professor Ghauth Jasmon</b> , Board Member, Sunway University and Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University
<b>8 JUN 2018</b> <b>Sustainability Series</b> <i>In collaboration with Sunway iLabs</i>	Sustainability Series #3 Food	<i>Documentary screening</i>
<b>3 JUL 2018</b> <b>JCI Public Lecture</b>	An Institutional Relationship Perspective of Corporations as Responsible Citizens Against Corruption: The Malaysian Experience	<b>Dr Greg Lopez</b> , Lecturer, Murdoch University, Australia
<b>9 JUL 2018</b> <b>JCI Forum</b>	The Changed Political Landscape and the Aspirations of the Youth	<b>Datuk Dr Vaseehar Hassan</b> , Executive Coach, INSEAD Global Leadership Center and Senior Associate, Kets de Vries Institute <b>Syed Saddiq Syed Abdul Rahman</b> , Minister of Youth and Sports <b>Lim Yi Wei</b> , Selangor State Assemblywoman for Kampung Tunku  Moderator: <b>Liew Chin Tong</b> , Deputy Minister of Defence
<b>28 AUG 2018</b> <b>JCI Forum</b>	Is China Heading Towards Crisis?	<b>Dr Ngeow Chow Bing</b> , Acting Director, Institute of China Studies, Universiti Malaya <b>Dr Nur Shahadah Jamil</b> , Research Fellow, East Asian International Relations (EAIR) Caucus, Universiti Kebangsaan Malaysia <b>Professor Woo Wing Thye</b> , President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University

<b>29 AUG 2018</b> JCI Forum	A 'New Malaysia': The Way Ahead	<p><b>YB Fahmi Fadzil</b>, Member of Parliament for Lembah Pantai and Communications Director for PKR</p> <p><b>YB Dato' Seri Diraja Dr Zambry bin Abdul Kadir</b>, Member of the Perak State Assembly for Pangkor and Member of UMNO Supreme Council</p> <p><b>YB Dato' Sri Hajjah Nancy Shukri</b>, Member of Parliament for Batang Sadong, Sarawak</p> <p>Moderator: <b>Professor James Chin</b>, Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Asia Institute Tasmania, University of Tasmania</p>
<b>27 SEP 2018</b> Sustainability Series In collaboration with Sunway iLabs	Sustainability Series #4 Single-use Plastic	<i>Documentary screening</i>
<b>28 SEP 2018</b> JCI Forum	Experiments in Disruptive Innovation in Malaysian Higher Education	<p><b>Tan Sri Professor Ghauth Jasmon</b>, Board Member, Sunway University and Senior Fellow, Jeffrey Cheah Institute on Southeast Asia, Sunway University</p> <p><b>Dr Abu Hasan Ismail</b>, Founder &amp; BOD member, University Malaysia of Computer Science &amp; Engineering (UNIMY)</p>
<b>8 OCT 2018</b> JSC Public Lecture and Launch of Master Programme	How to Achieve the Sustainable Development Goals (in conjunction with the Launch of the Master in Sustainable Development Management)	<p><b>Professor Jeffrey D. Sachs</b>, Chairman, Jeffrey Sachs Center on Sustainable Development, Sunway University, Malaysia and Special UN Advisor on the Sustainable Development Goals</p> <p><b>YB Yeo Bee Yin</b>, Minister of Energy, Science, Technology, Environment and Climate Change, Malaysia and Member of Parliament for Bakri, Johor</p>
<b>14 OCT 2018</b> JSC Workshop In collaboration with MyPJ and Petaling Jaya Parliamentary Office	Citizenship and Housing Education for the Sustainable Development Goals	<p><b>YB Maria Chin Abdullah</b>, Member of Parliament, Petaling Jaya Parliamentary Office</p> <p><b>Derek Fernandez</b>, Local Councillor, MBPJ</p> <p><b>Professor Leong Choon Heng</b>, Deputy Director, Jeffrey Sachs Center on Sustainable Development, Sunway University</p> <p><b>Jeffrey Phang, Chairman</b>, MyPJ</p> <p><b>Ngian Siew Siong</b>, Former Chairman, Real Estate and Housing Developers' Association Malaysia (REDHA)</p> <p><b>Mazni Ibrahim</b>, Malaysian Centre for Constitutionalism and Human Rights (MCCHR)</p> <p><b>Lee Sui Lun</b>, P105 Parliamentary Office Housing Steering Committee</p> <p><b>Eric Chew</b>, Bukit Gasing Neighbourhood Watch</p> <p><b>Idzuafi Hadi bin Kamilan</b>, Parliamentary Researcher</p> <p><b>Yap Swee Seng</b>, Executive Director, Bersih</p>
<b>28 OCT 2018</b> JSC Workshop In collaboration with MyPJ and Petaling Jaya Parliamentary Office	Citizenship and Housing Education for the Sustainable Development Goals	<p><b>Jeffrey Phang</b>, Chairman, MyPJ</p> <p><b>Lee Sui Lun</b>, P105 Parliamentary Office Housing Steering Committee</p> <p><b>Eric Chew</b>, Bukit Gasing Neighbourhood Watch</p> <p><b>Idzuafi Hadi bin Kamilan</b>, Parliamentary Researcher</p> <p><b>GM Lian</b>, MyPJ Member</p> <p><b>Ranjinath Muniandy</b>, MyPJ Member</p>



<b>7 NOV 2018</b> JCI Webcast	MA63: What do young Sabahans and Sarawakians think?	<b>Carol Yong</b> <b>Vilashini Somiah</b> <b>Arlyne Davina Kunyir</b> <b>Christine Gloria Linus</b>
<b>11 NOV 2018</b> JSC Workshop <i>In collaboration with MyPJ and Petaling Jaya Parliamentary Office</i>	Citizenship and Housing Education for the Sustainable Development Goals	<b>Lee Sui Lun</b> , P105 Parliamentary Office Housing Steering Committee <b>Eric Chew</b> , Bukit Gasing Neighbourhood Watch <b>GM Lian</b> , MyPJ Member <b>Ranjinath Muniandy</b> , MyPJ Member <b>Yap Swee Seng</b> , Executive Director, Bersih
<b>25 NOV 2018</b> JSC Workshop	Citizenship and Housing Education for the Sustainable Development Goals	<b>Datuk Chang Kim Loong</b> , Honorary Secretary-General, National House Buyers' Association <b>Koh Kean Kang</b> , Lawyer <b>Idzuafi Hadi Kamilan</b> , Malaysian Parliament Research Officer <b>Ranjinath Muniandy</b> , MyPJ Member <b>Jeffrey Phang</b> , MyPJ Member
<b>30 NOV 2018</b> JCI Forum	Social Media in the 'New Malaysia'	<b>Dr Pauline Leong</b> , Department of Communication and Liberal Arts, Sunway University <b>Datuk Seri Ti Lian Ker</b> , Senior Partner of Messrs Wong, Law & Ti <b>YB Dr Ting Tiong Choon</b> , Sarawak State Assemblyman for Pujut <b>Jeff Ooi</b> , Columnist, Sin Chew Daily and Kwong Wah Daily
<b>11 DEC 2018</b> JCI Forum <i>In conjunction with the launch of The Round Table Special Issue</i>	New Malaysia Rising: The Challenge of Fulfilling the Dream	<b>Dr Wong Chin Huat</b> , Head, Institutional Reforms and Governance Programme, Penang Institute <b>Nurul Izzah Anwar</b> , Member of Parliament for Permatang Pauh <b>Liew Chin Tong</b> , Deputy Defence Minister, Malaysia <b>Wan Saiful Wan Jan</b> , Chairman, National Higher Education Fund Corporation (PTPTN) <b>Professor Woo Wing Thye</b> , President, Jeffrey Cheah Institute on Southeast Asia, Sunway University and Director, Jeffrey Sachs Center on Sustainable Development, Sunway University <b>Dr Venkat Iyer</b> , Editor, The Round Table: Commonwealth Journal of International Affairs  <b>Moderator:</b> <b>Professor Paul Carmichael</b> , Associate Dean for Global Engagement in Arts, Humanities and Social Sciences, Ulster University
<b>12 DEC 2018</b> JCI Forum	Leadership of Malaysian Public Universities and the Challenges of the Next Few Decades?	<b>Professor Tan Sri Dr Ghauth Jasmon</b> , Board Member, Sunway University
	Effective Leadership Training of Universities Top Management	<b>Professor Datuk Rohana Yusof</b> , Director of Higher Education Leadership Academy, Ministry of Education



Video recordings of our public events are available on our YouTube channel:

<https://www.youtube.com/user/JeffreyCheahInst/videos>

# LAUNCH OF THE MASTER IN SUSTAINABLE DEVELOPMENT MANAGEMENT

In 2016, the Jeffrey Cheah Foundation entered into a partnership with the United Nations Sustainable Development Solutions Network Association (SDSN), led by Professor Jeffrey Sachs of Columbia University, renowned economist and Director of the SDSN. The partnership, based on a steadfast commitment to achieving the United Nations Sustainable Development Goals (SDGs), aims to develop the expertise needed to move Malaysia and Southeast Asia forward on the path of sustainable development.

The partnership led to the establishment of the Jeffrey Sachs Center on Sustainable Development at Sunway University. As the Southeast Asian base for the United Nations Sustainable Development Solutions Network, the Center is a hub of research and policy practice, delivering world-class programs to train students, practitioners and policy leaders on sustainable initiatives while working in collaboration with industry, agencies, government bodies and universities worldwide.

In line with this, the Center launched its first Master programme on 8 October 2018. The Master in Sustainable Development Management at Sunway University was formulated to equip passionate, ambitious people from multidisciplinary backgrounds to become pioneers who will be adept at management and problem-solving using analytics and systems thinking guided by global concerns.

“Today, we are proud to mark another major milestone in the Center’s journey—the launch of its Master in Sustainable Development Management Programme. It is our hope that this programme will produce a new generation of leaders who are equipped with the knowledge, the science and the analytical thinking to make real, positive changes for our country, our region and our world”, said Tan Sri Dr Jeffrey Cheah AO, Founder and Chancellor of Sunway University in his opening remarks.

Tan Sri Dr Cheah also announced that the Jeffrey Cheah Foundation will offer a bursary of RM30,000, more than 50 percent of the RM 50,000 fee, for the first batch of students. Tan Sri Dr Cheah stressed that achieving the SDGs is not the sole responsibility of government alone but requires the effort of every individual from academia to the private sector.

YB Yeo Bee Yin, Minister of Energy, Science, Technology, Environment and Climate Change and Member of Parliament for Bakri delivered the keynote address before officiating the launch of the Master in Sustainable Development Management programme with Tan Sri Dr Cheah and Professor Sachs. YB Yeo congratulated Tan Sri Dr Cheah and Sunway University for being a pioneer in offering a Master in Sustainable Development Management programme, saying that this is a step forward for the country.

Reiterating the Malaysian government’s commitment to the SDGs, YB Yeo stated that there are two things that the government



would not do in advancing SDGs in Malaysia. First, it would not sacrifice economic development in the name of saving the world as development and environmental protection can go hand in hand. YB Yeo expressed that the lives of the poor and vulnerable should not be sacrificed for the green goal. Solutions need to provide a decent livelihood to this section of the population, while also protecting the environment.

Secondly, the Malaysian government will not pay for what it did not do. YB Yeo said that developing countries like Malaysia are being told to sacrifice economic growth in order to preserve forests and reduce emissions. However, Malaysian taxpayers should not have to bear the cost of this. Instead, the developed world must pay an equal share for what they did. “The SDGs are about justice. They are not just about inequality within the country but also within regions, between the developed and developing world. We will not pay for the sins of others, but will ask for justice even on the international arena,” said YB Yeo.

To mark the auspicious occasion, Professor Sachs delivered a lecture on ‘How to Achieve the Sustainable Development Goals’ where he spoke on the major transformation challenges of sustainable development, and its implications for Malaysia. He said that Malaysia needs to improve its quality of education; rejuvenate its public healthcare; decarbonize the energy system; end massive deforestation and overfishing; shift to smart cities and electric transport; and adopt digital technologies as the basis for transformation. On the whole, Malaysia must improve its planning, budgeting, tax collection and transparency.

“Every country must decarbonise by mid-century, without exception. This is not a choice. This is a need. If every country with fossil fuels says, ‘Not us please’, it will get all of us killed, I’m sorry to say. The pace in which we act is not set by fairness. It is set by our survival needs. Fairness may determine who should bear the burden of loss and damages—and the rich countries, starting with my own, have a tremendous historical responsibility. When a country is hit by a typhoon more intense than would have ever occurred without the human induced factor, let those who are historically responsible for this increased intensity share in the bill. And I pledge my voice to help Malaysia make that happen”, said Professor Sachs.

The Master in Sustainable Development Management, designed for working professionals and recent graduates, will be delivered over 18 months through classroom sessions; virtual tutorials and e-modules; research projects; and individual and group assignments. Notable local and international faculty who will facilitate the programme include Professor Jeffrey Sachs; Professor Woo Wing Thy; and Dr Guido Schmidt-Traub, Senior Fellow at Jeffrey Sachs Center on Sustainable Development, and Executive Director of the UN Sustainable Development Solutions Network. ■



**PROFESSOR LEONG CHOON HENG**

Deputy Director and Convenor of the Master in Sustainable Development Management Programme, Jeffrey Sachs Center

## THE PIONEER COHORT



In January 2019, seventy-two students enrolled in the Master in Sustainable Development Management Programme at Sunway University to form the inaugural cohort. They consist mostly of mid-career professionals from the corporate sector as well as civil society, non-governmental organisations, research organisations, academia and national and local governments. The cohort is also made up by a small number of recent graduates.

The common factor that has brought together this diverse group of individuals is the desire to learn more about the complex issues surrounding sustainability in order to find solutions to the problems confronting us. They entered the programme with a passion to create a better world and a more equitable society.

At the time of writing, the students are midway through their first semester. They are especially aware that there is a lot at stake with global warming. This was demonstrated in the module on climate change through lectures by Professor Jeffrey Sachs, Dr Chen Jit Ern and Professor Dato' Dr Mazlin Mokhtar. The other two courses in this first semester dealt with the micro and macro economics of sustainable development and the strategies corporations ought to take.

In the months ahead, the challenge will lie in keeping the passion alive, the fire of enthusiasm burning, the spirit of camaraderie strengthened, and the search for solutions undeterred. ■

## WHY THE MASTER IN SUSTAINABLE DEVELOPMENT MANAGEMENT AT SUNWAY UNIVERSITY?



"Climate change is arguably the most important topic now as it is an acute threat to global development. Without urgent action, climate action impacts all living species on Earth. I experienced it first-hand when I saw retreating glaciers and coral bleaching. We claim that Homo sapiens are intelligent but I often ask, 'How are we intelligent when we are continuously harming our only home and not preserving it for future generations?' I choose the Master in Sustainable Development Management in Sunway University to give substance to the issues that are continually significant to me."

*Khor Jia Wei, Financial Inclusion, United Nations Capital Development Fund (UNCDF)*

"I have always struggled to make a connection between nature conservation and development. However, as I ventured into deeper subjects like environmental planning, economics and law, I began to understand the concept of sustainability and the importance of it. This programme suits my interest and needs of my career prospects. I hope the knowledge gained from this programme will enable me to venture into more challenging projects in my career. In the future, I aspire to work towards eliminating the use of plastics packaging entirely in Malaysia."



*Tahirah Banu Mohamed Ariff, Programme Officer, WWF Malaysia*



"I am interested in the topics covered in the programme, especially modules on the financial and economic aspects of sustainability management and social entrepreneurship and development. I am extremely keen to build on my interest in developing solutions with school children. This postgraduate programme would assist me in sharing new ideas with my students to help them to be more creative and innovative in their future roles on sustainability. I believe that enrolling in this Master's programme is akin to helping other educators in Malaysia to cover sustainable development in their teaching."

*Santha Nair Chandran, Head of English Language Department, SJK(T) Ladang Nova Scotia 2*

"I realise that many of my tasks and projects are becoming increasingly intricate and demanding, especially those at national and sub-national levels. This is where this programme comes in. As I progress in my career, my future endeavours will require a more holistic approach with inter-disciplinary and progressive solutions. To be able to influence stakeholders with various mandates and be a catalyst in the sustainability movement, I need to equip myself with the necessary abilities. There is a huge gap between where I am now and where I need to be in my career due to a lack of knowledge and skills in sustainable development field. Browsing through the programme's objective and electives, it is undeniable that this programme will help to bridge this gap."



*Ahmad Afandi Nor, Environmental Consultant*



# THE JEFFREY CHEAH TRAVEL GRANT

Designed to further academic exchanges between Malaysia/Southeast Asia and the United States, the Jeffrey Cheah Travel Grants 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.

## 2018 RECIPIENTS

**Linda Tan Kim Lian**, *Sunway Education Group*, "Sustainable Strategies and Implementation Processes for a Modern Competitive Green Campus"

**Alireza Zarei**, *Sunway University Business School*, "Understanding the Malaysian Ringgit Behaviour"

**Chow Shenn Kuan**, *Sunway University Business School*, "Understanding Student Governing Bodies at Harvard University and Representing Sunway University at the Harvard Project for Asian and International Relations (HPAIR) Conference 2018"

**Yap Kian Meng**, *School of Science and Technology (SST)*, *Sunway University*, "Harvard Biorobotics Laboratory, Haptic and Robotic Projects"

**Ashutosh Sarker**, *School of Business, Monash University Malaysia*, "Economic and Neural Bases of Cooperation for Sustainable Resource Management in Southeast Asia"

**Kong Xin Ying**, *School of Engineering, Monash University Malaysia*, "Exploiting Inexhaustible Solar Energy for Conversion of Carbon Dioxide into Renewable Hydrocarbon Fuels: Towards Sustainable Development in Southeast Asia"

## UNDERSTANDING THE MALAYSIAN RINGGIT'S BEHAVIOUR

### Alireza Zarei

*Senior Lecturer, Department of Economics and Finance  
Sunway University Business School, Sunway University*

The visit to Harvard University provided me with the opportunity to learn about cutting-edge approaches and current issues in applied financial research. I had the opportunity to meet with staff members at the Ash Center of the Kennedy School of Government who are mostly involved in applied economic policy concerning the economic growth fundamentals of Asian development economies. During my visit, I was able to meet Professor Dwight Perkins and a few other professors, and through these meetings, I developed research questions pertaining to the study of economic growth, international flow of capital and exchange rate determination. I realised that these are important areas of research with significant policy implications and widespread applications in emerging countries like Malaysia. This is because the Malaysian economy has been growing steadily over recent years. Studying the total factor productivity impact on the economic growth of Malaysia and other economies in the East Asian region in addition to neoclassical growth factors such as human capital can provide new insights and evidence on how overall economic growth in these countries are formulated. Moreover, I had an opportunity to meet a number of graduate students of economics and finance to learn about the culture of Harvard University. ■

## SUSTAINABLE STRATEGIES AND IMPLEMENTATION PROCESSES FOR A MODERN COMPETITIVE GREEN CAMPUS

### Linda Tan Kim Lian

*Facilities and Asset Management, Sunway University*

An opportunity to study Harvard's sustainable strategies and green campus management motivated me to pursue this travel grant. In 2004, Harvard adopted a set of Sustainability Principles that defined the University's vision for a healthier and more resilient future. These principles serve as a guide for developing sustainable planning tools and institutional practices, the design and maintenance of the built environment, enhancing the health of campus ecosystems, increasing the diversity of native species and establishing indicators for continuous improvement. The Harvard Office for Sustainability was formalised by President Faust in 2008 to broaden and enhance the University's engagement in sustainable campus operations, adopting an ambitious short-term goal of reducing University-wide emissions 30% by 2016, including growth, from a 2006 baseline. The Harvard University Sustainability Plan was adopted in 2014 to create a partnership with faculty, students, and staff to align the University around a holistic vision and five-year roadmap for enhancing the well-being of the campus community. The plan is organised around five core topics: energy and emissions; campus operations; nature and ecosystems; health and wellness; culture and learning. My recommendation for Sunway University is to develop a clear and measurable five-year Sustainability Plan to clearly state what measurable and meaningful goals it wants to achieve in the areas of energy, carbon footprint, utilities, health, environment, ecosystems and culture. This plan should also map the possible pathways to align the University's research, teaching, learning and operations to achieve these goals. The University also needs a dedicated Sustainability website to document all its research and operational efforts in the area of sustainability. This would not only leave a sense of pride and achievement in the University's staff and students but also be a value-add to our ethos for a meaningful green heritage to the next generation of graduates of the university. ■

# JCI-JSC RESEARCH THEMES

## ECONOMICS

1. ASEAN Economic Community
2. China's Economic Developmental Challenges
3. Generating Innovation-Based Economic Growth that is Socially Inclusive
4. Islamic Pro-Development Funding Instruments

## ENVIRONMENT

1. Agriculture Modernisation
2. Art-Science Approaches to Knowledge Generation in Sustainable Futures
3. Creating Sustainable Campuses
4. Deep Decarbonisation Pathways for Malaysia
5. Deforestation and Biodiversity Loss
6. Food, Agriculture, Biodiversity, Land Use and Energy (FABLE) in Malaysia
7. Malaysia & ASEAN SDG Dashboard
8. Mangroves Vulnerability, Resilience and their Role in Climate Adaptation
9. Mitigation of Environmental and Climate Shocks: Towards Resilience and Sustainability
10. Nuclear Science, Technology and Security for Sustainable Development
11. Sunway Smart Sustainable City Initiative
12. Sustainable Energy Technology and Systems in Malaysia
13. Sustainable Management of Lakes and Estuarine Ecosystems to Overcome Catastrophic Regime Shifts

## GOVERNANCE

1. Fiscal Decentralisation
2. Malaysian Foreign Policy
3. Regime Change and Reforms in Malaysia

## SOCIAL PROGRESS

1. Combating Child Stunting in Malaysia
2. Currency Stability and Sustainable Development
3. Human Capital Development in ASEAN
4. ImaginAging: Co-Designing Policies related to Aging in a Community using Speculative Design
5. Social Protection and Welfare

## STAFF PUBLICATIONS AND PRESENTATIONS 2018 HIGHLIGHTS

### PROF WOO WING THYE (PRESIDENT - JCI; DIRECTOR - JSC)

#### PUBLICATIONS

*Understanding the Major Threats to China's Economic Growth* in Hui-Chiao, H., and Huizhong, Z., (eds.), *'The Impacts of China's Rise on the Pacific and the World'*, 52nd Werner Sichel Lecture Series 2015-2016, (W. E. Upjohn Institute for Employment Research, 2018).

*A U.S. Perspective on China's External Economic Disputes in the Past 40 Years and in the Coming 40 Years*, in Garnaut, R., Ligang, S., and Cai Fang (eds.), *'China's 40 Years of Reform and Development: 1978-2018'*, (Canberra: Australian National University Press, 2018).

Defusing the US-China Trade Conflict, *Project Syndicate*, 3 July 2018.

How China, US can avert trade war decades in the making, *CGTN.COM*, 7 July 2018.

#### PRESENTATIONS

'Regulatory Issues on Crypto-Currencies,' *Digital Currencies*, Shadow Finance Committee seminar, National Institute of Development Administration, Bangkok, Thailand. 26 January 2018.

'Chinese Corporate Debt and Credit Misallocation,' *Asian Economic Panel conference*, Korea Institute for International Economic Policy, Seoul, South Korea. 29 March 2018.

'Defusing the US-China Trade War,' *China's Path to a New Era*, keynote lecture at 30th Anniversary of Chinese Economic Association UK-Europe Conference, University of Edinburgh, United Kingdom. 23 June 2018.

'External Trade and Investment in China's Economic Development and Global Role,' *Celebrating the 40th Anniversary of Reform and Opening-Up*, Shanghai Academy Forum, Shanghai University, China. 8 August 2018.

'Defusing the US-China Trade War,' *US-China Trade War: Global Prosperity and Cooperation Under Threat*, East Asia Studies Distinguished Forum, Memorial Student Union, University of California, Davis, United States of America. 1 October 2018.

### PROF SHANDRE THANGAVELU (VICE PRESIDENT - JCI; SENIOR FELLOW - JSC)

#### PUBLICATIONS

*Singapore Chronicles: Trade and Investment*, Institute of Policy Studies, (Singapore: National University of Singapore and Singapore Straits Times Press, 2018).

#### PRESENTATIONS

With Aekapol Chongvilaivan, 'FDI, Financial Constraints, and Productivity: Firm Level Study in Vietnam,' AEP Workshop, Keio University, Tokyo, Japan. 10-11 September 2018.

'Regionalism and New Challenges in Southeast Asia,' World Social Science Forum 2018, Fukuoka, Japan, 25-26 September 2018.

'US-China Trade War: Implications for ASEAN,' Centre for Southeast Asia (CSEAS), Kyoto University, Kyoto, Japan. 26 September 2018.

With Dionisius Narjoko and Shujiro Urata, 'Impact of FTA on Trade of Australia,' EAEA Conference 2018, Taipei, Taiwan. 27-28 October 2018.

### PROF JAMES CHIN (DIRECTOR OF GOVERNANCE STUDIES AND SENIOR FELLOW - JCI)

#### PUBLICATIONS

'Sabah and Sarawak in GE14: Local Factors and State Nationalism,' *Journal of Current Southeast Asian Affairs*, 37.3 (2018): 173-192.

'The Comeback Kid: Mahathir and the 2018 Malaysian General Elections,' *The Round Table: The Commonwealth Journal of International Affairs*, 107.4 (2018): 535-537.

*Ketuanan Melayu to Ketuanan Islam: UMNO and the Malaysian Chinese and The Final Breakup: UMNO and the Chinese in GE14*, in Welsh, B., (ed.), *'The End of UMNO?: Essays on Malaysia's Former Dominant Party - New and Expanded Post GE-14 Edition'*, (Kuala Lumpur: Strategic Information & Research Development Centre, 2018).

Sea Change in Southeast Asia, *Bloomberg Opinions*, 6 July 2018.

The bittersweet return of Anwar Ibrahim to Malaysian politics, *Channel News Asia*, 23 September 2018.

The big clean-up in Malaysia, *Lowy Institute*, 22 June 2018. Mahathir's victory a warning shot for Singapore's PAP, *Australian Financial Review*, 11 May 2018.

#### PRESENTATIONS

'The 14th Malaysian General Elections: Change or More of the Same?,' Centre for Southeast Asian Studies, Kyoto University, Kyoto, Japan. 3 July 2018.

'Mahathir and the New Malaysia,' Australian Institute of International Affairs, Canberra, Australia. 26 Sept 2018.

## PROF YEAH KIM LENG (DIRECTOR OF ECONOMIC STUDIES AND SENIOR FELLOW - JCI)

### PUBLICATIONS

Malaysia's Budget 2019: The New Government's Fiscal Priorities, Challenges and Opportunities, *ISEAS Perspective*, Issue 2018 No. 80.  
 With Chung, Tin-Fah, 'Whither Competition in Malaysia's Banking Industry Ex Post a Restructuring,' *Journal of Economic Studies*, 45.2 (2018): 263-282.

'Is a US yield curve inversion imminent and is it a recession signal?' *The Edge*, 31 December 2018.

### PRESENTATIONS

'Malaysia's GE-14: Missed Signs or Late Surge,' *Economic Dynamics and the GE-14 Surprise: Statistics, Realities and Sentiments*, ISEAS-Yusof Ishak-Konrad-Adenauer-Stiftung Conference, ISEAS-Yusof Ishak Institute, Singapore. 27-28 September 2018.

## PROF MOHAMED ARIFF SYED MOHAMED (SENIOR FELLOW - JCI)

### PUBLICATIONS

*A New Form of Global Asset-backed Debt Market through Sukuk*, in Valentino Cattelan (ed.), *'Islamic Social Finance: Entrepreneurship, Cooperation and the Sharing Economy'*, (New York: Routledge, 2018).

With Zarei, A., 'Resolve the exchange rate puzzle,' *Singapore Economic Review*, 63.5 (2018): 1367-1384.

With Chung, Tin Fah, 'Competition in the Malaysia's Banking Industry, *Quo Vadis*,' *International Journal of Economics and Management*, 11.3 (2018): 897-920.

With Chung, Tin-Fah, 'Whither Competition in Malaysia's Banking Industry Ex Post a Restructuring,' *Journal of Economic Studies*, 45.2 (2018): 263-282.

With Naserini, A., 'Banking Performance: How do DEA and Accounting Measures Compare,' in Emrouznejad, A., and Thanassoulis, E., (eds.), *'Data envelopment analysis and performance measurement, recent developments: Proceedings of the DEA40'*, (Birmingham: Aston University, 2018).

### PRESENTATIONS

'Exchange Rate and Stock Market Return: Evidence from Eight Free-Floating Currencies,' 26th Securities and Financial Markets Conference, Kaoshiang, Taiwan. 7-8 December 2018.

'The Economics of Earning Reports Disclosures to the Tokyo Stock Exchange,' Asian Economic Forum, Tokyo, Japan. 9-12 September 2018.

'Sustainable Development and Currency Exchange Rate Behaviour,' International Conference on Finance, Banking and Financial Stability, Bali, Indonesia. 17-19 July 2018.

'Banking Performance: How do DEA and Accounting Measures Compare?,' DEA-40 Conference, Aston University, Birmingham, United Kingdom. April 2018.

### OTHERS

Member of the Board of Directors of Securities Commission of Malaysia's research body (CMR) from December 2018.

## DR CHONG KOK BOON (SENIOR FELLOW)

### PUBLICATIONS

With Cheng, J., Hu, R., Meng, X., Li, Y., Yan, X., Yang, X., Liao, X., Li, Lu., and Pei, Q., 'Realization of Large-Scale Polymer Solar Cells Using Ultrasonic Spray Technique Via Solvent Engineering,' *Solar RRL*, 2.7 (2018): 1870184.

马来西亚大学的学术水平 [*The Academic Quality of Malaysian Universities*], in 永强编 (ed.), 浮躁·族群·市场化—困局中的大学, (大将出版社, 2018). ISBN: 9789674192419.

'An open letter to Harapan leadership,' *Malaysiakini*, 5 February 2018.

### PRESENTATIONS

马来西亚教育：迷路和困局, Malaysia Education: Lost and Dilemma, Auditorium Sinchew Jit Pao, Petaling Jaya, Malaysia, 19 May 2018.

'Paradigm Shift in Advance Manufacturing & Engineering: Applications of Computational Materials Physics,' *Symposium F: Digital Impact, First Smart China Expo*, Chongqing, China. 23-25 August 2018.



## DR GOPALASAMY REUBEN CLEMENTS (SENIOR FELLOW)

### PUBLICATIONS

With Aziz, S.A., Giam, X., Bentrupperbaumer, J., Goosem, M., Laurance S. and Laurance, W.F., 'Not Everyone Wants Roads: Assessing Indigenous People's Support for Roads in a Globally Important Tiger Conservation Landscape,' *Human Ecology*, 46 (2018): 909-915.

With Wijedasa, L., Sloan, S., Page, S.E., Lupascu, M., and Evans, T.A., 'Carbon emissions from Southeast Asian peatlands will increase despite REDD+ program,' *Global Change Biology*, 24 (2018): 4598-4613.

With Pardo-Vargas, L.E., Campbell, M.J., Edwards, W., Clements, G.R., and Laurance W.F., 'Terrestrial mammal responses to oil palm dominated landscapes in Colombia,' *Plos One*, 13.5 (2018): e0197539.

With Ratnayeke, S., van Manen F.T., Kulaimi. N.A., and Sharp, S.P., 'Carnivore hotspots in Peninsular Malaysia and their landscape attributes,' *Plos One*, 13.4 (2018): e0194217.

## PROF KOH HOCK LYE (SENIOR FELLOW)

### PUBLICATIONS

With Teh, S.Y., Kh'ng, X.Y. and Barizan, R.S.R., 'Mangrove Forests: Protection Against and Resilience to Coastal Disturbances,' *Journal Tropical Forest Science*, 30 (2018): 446-460.

With Romañach, S.S., DeAngelis, D.L., Li, Y., Teh, S.Y., Raja Barizan, R.S. and Zhai, L., 'Conservation and Restoration of Mangroves: Global Status, Perspectives, and Prognosis,' *Ocean and Coastal Management*, 154 (2018): 72-82.

With Teh, S.Y., and Lim, Y.H., 'Tsunami run-up amplification factors for real-time prediction of run-up heights and inundation distances for Penang Island,' *The Open Access Journal of Physics: Conference Series*, 1123.1 (2018): 012049.

With Tan, W.K. and Teh, S.Y., 'Regime Shift Analysis and Numerical Simulation for Effective Ecosystem Management,' *International Journal of Environmental Science and Development*, 9.8 (2018): 192-199.

With Teh, S.Y., Tan, W.K., Chan, L.G. and Ho, C.K., 'Langkawi Tsunami Hazards Mitigation and Inundation Maps,' *Journal of Engineering and Applied Sciences*, 12.19 (2018): 4801-4808.

### PRESENTATIONS

With Teh, S.Y., 'The Life We Want: Achieving United Nation Sustainable Development Goals 2030,' *8 ICEII2018 International Conference on Environment and Industrial Innovation*, keynote lecture at the Shanghai Maritime University, Shanghai, China. 27-29 April 2018.

With Teh, S.Y., 'Education on sustainable development: The STEM approach,' *4th World Symposium on Sustainable Development at Universities (WSSD-U-2018)*, Universiti Sains Malaysia, Penang, Malaysia. 28-30 August 2018.

With Teh, S.Y., Lim, Y.H. and Tan, W.K., 'High Resolution Digital Elevation and Bathymetry Model for Tsunami Runup Simulation for Penang Beaches,' *The 10th South China Sea Tsunami Workshop*, National University of Singapore, Singapore. 10-11 October 2018.

With Teh, S.Y., Chai, M.F. and Tan, W.K., 'Tsunami Resilient Community: Role of Technological Innovation,' *The 10th South China Sea Tsunami Workshop*, National University of Singapore, Singapore. 10-11 October 2018.

With Teh, S.Y. and Tan, W.K., 'Water Quality Simulation for Rehabilitation of a Eutrophic Lake in Selangor Malaysia,' *International Conference on Ecology and Biodiversity Across Time and Space (ICEBATS2018)*, Universti Sains Malaysia, Penang, Malaysia. 15-17 August 2018.

## DR OOI KEE BENG (SENIOR FELLOW - JCI)

### PUBLICATIONS

*Catharsis: A Second Chance for Democracy in Malaysia*, (Petaling Jaya: Strategic Information & Research Development Centre, ISEAS Publishing and Penang Institute, 2018).

*The Eurasian Core and Its Edges: A History of the World According to Wang Gungwu*, (Hong Kong: City University of Hong Kong, Penang Institute and ISEAS Publishing, 2018).

'No bold strategy for PH, no real reform for Malaysia,' *The Edge*, 30 December 2018

'Revisiting National History and the Significance of GE14,' *The Edge*, 30 July 2018.

'Will the Future of Malaysia's Democracy Depend on UMNO's Successful Transformation?,' *Channel News Asia*, 26 June 2018.

### PRESENTATIONS

'The Deeper Significance of Malaysia's GE14 and Some Regional Implications,' *2018 SEAREG Asia Meeting*, keynote speech at Yale-NUS College, Singapore. 12 December 2018.

'Penang and the Region,' *World Bank Group*, Jen Hotel, Penang, Malaysia. 8 December 2018.

'Persistent support for the opposition pays off for the Chinese Malaysian minority,' Malaysia Panel, Kaohsiung, Taiwan. 24-26 October 2018.

'Penang and Malaysia in the aftermath of GE14,' Fredrich Ebert Stiftung and SocDem Asia, Jen Hotel, Penang, Malaysia. 23 September 2018.

'What to make of the May 9, 2018 Election?,' *Konrad Adenauer Young Leaders Symposium*, Four Points by Sheraton, Penang, Malaysia. 6 August 2018.

'Why is George Town Important,' *Urban Innovations*, University of Greenwich, London, United Kingdom. 11 July 2018.

## DR CLARISSA AI LING LEE (RESEARCH FELLOW)

### PUBLICATIONS

With Sian Lun Lau, 'Imagining the Future of Foods Through Speculative Design,' *Proceedings of International Conference on Culture Technology 2018*, Shaoxing, China. 15-18 November, 2018.

'Radiation and the Public: the role of nuclear security and safeguards in public acceptance of nuclear technology in the case of Malaysia,' IAEA-CN-269-329. *Conference Proceedings of the International Conference on Security of Radioactive Material: The Way Forward for Prevention and Detection*, IAEA Headquarters, Vienna, Austria. 3-7 December 2018.

### PRESENTATIONS

'Technology and Postcoloniality: Historical and Social Studies of Technology in Post-Colonial Countries,' *Centre for Culture and Frontier Studies*, Universitas Brawijaya, Malang, Indonesia. 25-26 January 2019.

'Interface, Facility/Detection + Public Engagement,' *International Conference on Security of Radioactive Material: The Way Forward for Prevention and Detection*, IAEA Headquarters, Vienna, Austria, Dec 3-7, 2018.

'Nuclear Scientific Diplomacy as Transnational Knowledge Transfer in Building Science and Technological Expertise in Malaysia,' *Nuclear Diplomacy publication workshop*, Graduate University for Advanced Studies and History and Technology Journal of Drexel University, Sokendai University in Japan. 9-11 November 2018.

'Risks, Standards, and Knowledge Circulation in Nuclear and Radiation Science and Technology for Development,' *Annual Meeting for the Society of Social Studies of Science (4S)*, Powerhouse Museum, Sydney, Australia. 30 August 2018.

'ImaginAging - Plausible Futures of Healthy Aging in an Urban Setting,' *Annual Meeting for the Society of Social Studies of Science (4S)*, Powerhouse Museum, Sydney, Australia. 29 August 2018.

## JASMIN IRISHA JIM ILHAM (RESEARCH ASSOCIATE)

### PUBLICATIONS

With Ashfold, M., Hanson, S., Moug, P., and Thupil, V. 'Is Malaysia doing enough to avoid 1.5C of global warming?,' *The Asia Dialogue*, 11 December 2018.

With Zaihan, M.H., Hakimi, S.M., Ibrahim, M.H. and Shahrul, S., 'Mobilising the Sustainable Development Goals through Universities: Case Studies of Sustainable Campuses in Malaysia,' *World Sustainability Series*, (New York: Springer, 2018).

### PRESENTATIONS

'Discovering Careers in Environmental Science,' *Nottingham Environmental Sciences Careers Day*, University of Nottingham, Semenyih, Malaysia. 16 November 2018.

'Mobilising the Sustainable Development Goals through Universities: Case Studies of Sustainable Campuses in Malaysia,' *4th World Symposium on Sustainable Development at Universities (WSSD-U-2018)*, Universiti Sains Malaysia, Penang, Malaysia. 26-28 August 2018.

'SDG15: Forest and Biodiversity,' *Harvard Project for Asian and International Relations 2018*, Sunway University, Selangor, Malaysia. 20 August 2018.

### OTHERS

Youth Representative at 6th Asia-Pacific Climate Change Adaptation Forum, Asian Development Bank, Manila, Philippines. 17-19 October 2018.

Mentor at Startup Weekend Sustainability Kuala Lumpur, Me.Reka Makerspace, Kuala Lumpur. 6-7 October 2018.




Observer at the forty-eighth sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA 48-2) and Subsidiary Body for Implementation (SBI 48-2) and the sixth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA 1-6), Bangkok Climate Change Conference (SB48-2), United Nations Conference Centre, Bangkok, Thailand. 4-9 September 2018.



The **Jeffrey Cheah Institute on Southeast Asia** is an independent public policy think tank, based at Sunway University on the outskirts of the Malaysian capital, Kuala Lumpur. The Institute's research programme is grouped around three core disciplines: economic development, governance and social progress, including education. Its mission is to develop solutions to some of the region's most pressing development problems. JCI seeks to engage policymakers, scholars and ordinary citizens through regular public lectures and discussions, and to build lasting academic partnerships in the region and the wider Asia-Pacific.

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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, tackling the sustainability agenda through education, training, research and policy advisory. Launched in December 2016, the Center operates out of Sunway University and was borne out of a \$10 million gift from the Jeffrey Cheah Foundation (JCF) to the UN Sustainable Development Solutions Network (SDSN).

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