





DEVELOPMENT AND ITS COMPLEXITIES

STEERING OUR WAY
THROUGH A PERFECT STORM

DAY 1 SESSION SUMMARIES

KEYNOTE ADDRESS

by Prof Ha-Joon Chang

Eating Economics Better - Why a varied diet of economic ideas is important for a healthy economy and a democratic polity

We should care about economics because it is the language of power spoken by people of power who change the world

Previously, multiple economic schools of thought coexisted. These include Classical, Neoclassical, Marxist, Keynesian, Schumpeterian, Austrian, Institutionalist, Behavourist, Developmentalist schools of thought.

However, over the past few years, economics are converging into one main way of thinking: neoclassical economics. This is where individual self-interests are prioritized, and the value of economy is limited to within the market only.

A large section of economic activities happen outside of the market and the world will face new challenges. Therefore, we need agile, varied economic approaches, and new ideas for a healthy economy and democratic polity.

"Natural" strengths are never natural.

Malaysia has upgraded its industries from the starting colonial points of tin and rubber. Today, Malaysia produces palm oil products, electronics, electrical goods, and Petronas is a world leader in deep sea drilling. Yet, Malaysia's economic growth has been stagnant in the last two decades.

There is nothing natural about Korea's edge in manufacturing automobiles, or Taiwan's strength in semiconductors. Other countries have similar, if not more, access to critical raw materials.

Economic strength is a product of long-term industrial policies. It is important to develop productive capabilities and think about long term growth on a 20-30-year horizon. For example, Korea and Japan ventured into the automotive sector despite American and German dominance as global automakers at the time.

Taking lessons from humanity's approach to food, we should keep an open mind, try different things, and redefine community conventions.

This approach diverges from current economics, which relies on a popular way of thinking across traditionally defined schools of thought and is generally focused on self-interest.

Answers to today's issues will not come from old ways of thinking. To understand the underpinnings of current complexities, past learnings and ideas that build conventional paradigms will not suffice.

To advance up the value chain, countries must sometimes eat bitter gourds. There is a need for sacrifice for economic development (financial suppressions, reallocations of loans from consumer finance to machineries, higher consumer prices during infant industry protection phase.

Malaysia's future depends on systemic improvement. In addition to individual excellence, we must create space for collective injection of fresh ideas/ingredients into the system and drastically transform systemwide framework and processes. Malaysia has proven that it has done a lot, and therefore can do a lot more, if given the right ingredients and systems.



CORE SESSION 1: MACRO AND MARKETS

by Chucheng Feng, Marko Papic, Nurhisham Hussein



Navigating the Tumultuous Transition

The world is shifting towards multipolarity. It is dynamic, intense, and interesting; but for investors, it is difficult to predict and model.

In a multi-polar world, it is tough for any few countries to exert influence. It is also tough to exclude countries from our current highly intertwined global system. The world must increasingly coordinate to grow.

Challenges to multilateral coordination remain due to lower trust between governments as well as ingrained biases. For example, the general American still thinks "babies are cute, China is evil".

The United Nations remains an important venue for countries, particularly under-represented countries to collectively voice out. Countries should not abandon the United Nations, rather work in tandem to improve the role of United Nations for better multilateral cooperation.

Much of superpowers' actions are reactionary and short term by nature. Investors should not overstate short-term hiccups, but rather focus on long-term structural megatrends.

Energy-driven inflation is the single most overstated issue. In reality, issues such as food-driven inflation and supply-chain security are the spotlights for most governments.

Foreign policy is essentially a response towards domestic political pressure. To rein in increasing domestic political pressure, leaders tend to look "outward" and implement aggressive foreign policy, further encourage nationalism.

Emerging countries such as Malaysia should continue to remain neutral to reap the spillover benefits from the geopolitical risks that arise from multi-country strategic competition. However, it is important to be careful and selective towards any supply chain reshoring opportunities.

With Environmental, Social, "Geopolitics" (ES "G") becoming the reigning agenda, investors should construct their portfolios by considering diversification in a sustained and higher inflationary environment.

"Greenification" is great, but it must be balanced out by addressing the demand-side issues and proper transition. Therefore, investors should adopt a barbell strategy by focusing on brown assets in public markets and building green assets through private markets.

The CAPEX boom due to geopolitics and climate change will continue to fuel inflation. Investing focus will transition from chasing short-term capital gains to cash-flow generative, capex-focused companies. Investors need to be patient as reflecting quality growth in portfolios is a long-term journey.

The concept of diversification is extensive and should be incorporated into talent building in every organisation. Hiring talents across diverse backgrounds is key to successfully addressing multifaceted issues.



FEATURE ADDRESS

by Tan Sri Nor Shamsiah Mohd Yunus

Navigating Malaysia's Economic Transition, in a post-COVID world'

Malaysia's economic recovery is underway.

Growth has positive momentum in line with economic reopening. This has been backed by a strong banking sector with low exposure to foreign liabilities, and a diversified economy with strong domestic demand and diversified exports.

The labour market has shown strength. Wages have grown while unemployment has reduced to under 4%.

Inflation remains anchored. While increases have been supply-driven, it is expected to peak in the third quarter of this year due to price controls and Malaysia's spare capacity.

Future challenges remain due to global uncertainty, but optimism remains for Malaysia.

Interest-rate setting will continue accommodate economic growth. While it was reduced to offer financial support during the pandemic, gradual hikes are necessary to ensure monetary and financial stability.

The Ringgit depreciation against the USD offers challenges but also opportunity. The depreciation is driven by stronger USD demand amid global uncertainty. While import costs and food prices will rise, they are contained by social assistance, subsidies, and price controls. Export growth will also benefit, contributing to a stronger labour market.

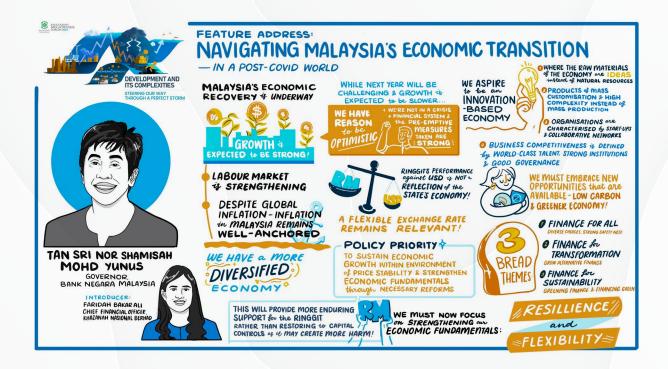
History has shown that Malaysia has what it takes to remain resilient. From being heavily dependent on commodities in the 1950s, Malaysia transitioned to manufacturing in the 1970s, creating a bustling in the E&E sector.

To ensure long-term prosperity, Malaysia will need to fortify our economic foundations.

A shift is needed to an innovation-based economy away from a cost-minimising model. Ideas will be key, instead of natural resources, followed by products of mass customization and high complexity instead of mass production. Organizations should be characterized by entrepreneurs, start-ups and collaborative networks. Business competitiveness should not be dependent on subsidies or cheap labour, but defined by world class talent, strong institutions and good governance.

Malaysia must embrace new opportunities that are available. One is to move to a greener economy. Besides producing green products such as solar panels, Malaysia's own rich biodiversity plays a key role. The key is not to monetise our natural assets quickly as commodities or credits for other countries, but to cultivate our own green industries and services.

Financial sector reforms are key and underway. Prior reforms have led to resilience against past crises, enabling it to be a source of relief. To support future economic transformation, the Financial Sector Blueprint lays out five key priorities. These include fostering a vibrant funding ecosystem, elevating household and business financial well-being, advancing financial sector utilisation, facilitating the transition to a green economy, and advancing value-based finance through Islamic finance leadership.



CORE SESSION 2: FIRMS AND TRANSFORMATION

by Chris Addy, Lya Rahman, Quyen Tran, Rahul Malhotra



ESG's Next Wave: Beta Activism via Sustainability, Impact, and a Just Transition

Beta Activism is defined as Institutional Investors who look beyond trading securities and move towards evaluating investments from a systematic and structural lens. The aim is to achieve better long-term risk-adjusted returns but driving change on targeted issues to reduce overall market's systematic risks.

Corporation plays a role in driving the United Nations Sustainability Development Goals (SDGs) and is a key beneficiary of the impact of SDGs. The market valuation of corporations today is bigger than GDP of the country. Corporations today (i.e., Nike with c.290 million social media followers) are influential enough to change perceptions.

Beta Activism is an enabler to equip companies in preparing for climate risks. Engagements with companies play a crucial role in the activism process as seen in Blackrock's sustainability investing.

Impact-oriented companies need ask the bigger questions on why they are doing this and what impact that they are trying to generate. Companies can use evidence-based research to support implementation and measure impact.

Proper governance is a key enabler for Beta Activism, via Sustainability, Impact, and a Just Transition

Beta Activism is new in Malaysia and the early focus here should be in governance in Malaysian companies. The appointment of politicians on the board of companies is threatens good governance, and the appointment of women is still poor.

All institutional investors should collectively work towards implementing good governance process and procedures from reliable standards. Institutional investors are encouraged to be transparent and publish their voting principles and decision-making process.

Issues such as greenwashing need to be managed by proper governance, data transparency and good investor judgements. For example, ESG ratings could reflect sustainability efforts but doesn't necessarily correlate to making actual impact.

Impact investment will eventually play a bigger role, with c.40% of funds now will be centred around impact, and not just purely financially driven.

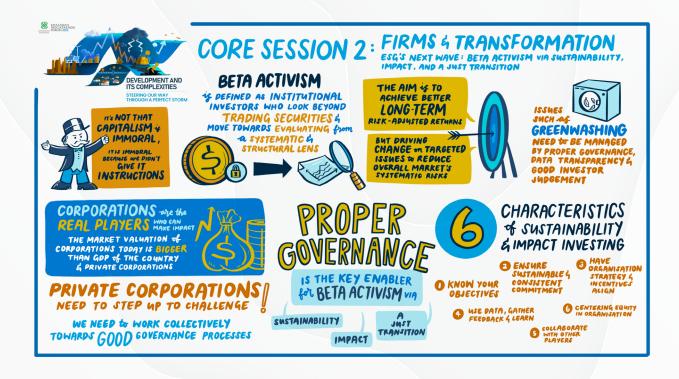
More investors carving out strategic impact mandates, much like Dana Impak. Companies choose impact areas based on issues that they want to push for, such as Diversity, Equity and Inclusion, Sustainability etc.

Executing and measuring impact investment is difficult, and collaboration and partnerships with ecosystem players are key for this space. There are best industry practices for impact measurements readily available, and large corporations already have impact strategy and frameworks in place.

Startups could get involved in the impact investing space by (1) focusing on the additionality and materiality that the products and services provide (2) to have research and evidence as a proof of concept that the solutions are working

The 6 characteristics of sustainability and impact investing are (1) know your objectives (2) ensure sustainable and consistent commitment (3) have organisation strategy and incentives align around creating impact (4) use data, gather feedback and learn (5) collaborate with other players (6) centring equity in organization.

There are many models of creating impact with a combination of blended finance, PPP, mandated CSR etc. For example, Patagonia's profits are committed to fight climate change and public companies in India are mandated to spend at least 2% of their net profit to CSR.



FIRESIDE CHAT WITH PATRICK CAO

The world today is different to the world in which GoTo merged and subsequently IPO-ed in 2022.

This necessitates a change in the initial vision and synergy for GoTo. Mergers are generally hard, but virtual mergers are harder, requiring GoTo to focus in three key areas: cross marketing, hypermobility, and better data for payment product.

At its core, GoTo is a social impact business at heart. With 67mn users, 12mn merchants, and 2mn registered driver fleet, GoTo remains committed to its various stakeholders along the consumer technology value chain.

As a result of its social impact DNA, ESG has been at the core of GoTo's business philosophy. This is reflected in GoTo's Three Zeros target: zero emissions, zero waste, and zero barriers.

Amid a pandemic and a subsequent global slowdown, GoTo's merger and IPO in 2022 was a challenging endeavour.

Every problem is a people problem. At initial stages of the merger, GoTo maintained independent holding company operations, which required continued alignment.

In the GoTo merger, there can be conflicting cultures between teams. For example, the on-demand segment has a more aggressive acquisition culture, whereas the e-commerce segment has a more supportive culture, which must be streamlined across the Group.

GoTo's local and homegrown genesis story has been a source of advantage. Powerful human connection to local nuances (best local murtabak, fried rice, nasi ayam geprek) ensures that GoTo's product offerings and strategies are not superficial compared to international industry competitors.

GoTo envisions a practical implementation to its ESG Three Zeros target.

With regards to ESG, it is crucial to find one's purpose in doing the right thing. GoTo's mission of empowering progress has been the Group's North Star in charting out its ESG and Three Zeros journey.

GoTo employs sustainable and financial incentives through emphasized weightages in employee **KPIs.** For example, out of 8 KPIs, 2 of them are Diversity, Equity, Inclusivity (DEI) and ESG KPIs; GoTo hopes to motivate employees to live out sustainability mission via these incentives.

Current economic backdrop presents challenges in ESG implementation. While it is easier to revert to the myopic approach of setting ESG targets superficially, GoTo's DNA as a societal impact business helps to maintain its focus for doing the right thing.



INNOVATION WITHOUT BORDERS.

by Eric Cheng, Florence Tan, Dr Jay Desan, Prashanth Prakash, Prof Sanjeev Krishna



Science, Technology and Innovation in Malaysia and Beyond

We are seeing a dispersion of innovation, with innovation hotspots emerging outside of the global North.

No shortage of problems to solve. We are in a pandemic century, from the Nipah virus outbreak in 1998 to COVID-19. There is a massive demand-supply mismatch in food; 1.3 billion tonnes of food is wasted each year, while 800 million people who go to bed hungry.

Entrepreneurs are building local capabilities and capitalising on cost advantages. The vibrant startup landscape in India today stems from Western companies outsourcing support and maintenance work to India, then transitioning to building products with local talent who later became entrepreneurs.

New technologies are opening doors. Strong digital infrastructure (the "India Stack") has enabled the Indian startup ecosystem. Carsome is harnessing the power of data to create competitive advantage. Advances in controlled environment agriculture have allowed Boomgrow to achieve up to 135x more land productivity for certain products such as Swiss chard.

Local solutions for local problems

Establishing a profitable business in Asia is difficult, with unique challenges compared to the West. India has different demographics, costs are in dollar values while revenues are in rupees, and a lack of full-stack solutions. Entrepreneurs are now shifting their focus from chasing growth to creating value for stakeholders.

However, there are also unique opportunities. The key is identifying the market gaps and creating a business model that captures them. Carsome successfully aggregated the fragmented supply of used cars in Malaysia and Southeast Asia, then offered ancillary services such as financing and insurance to provide a full-stack solution.

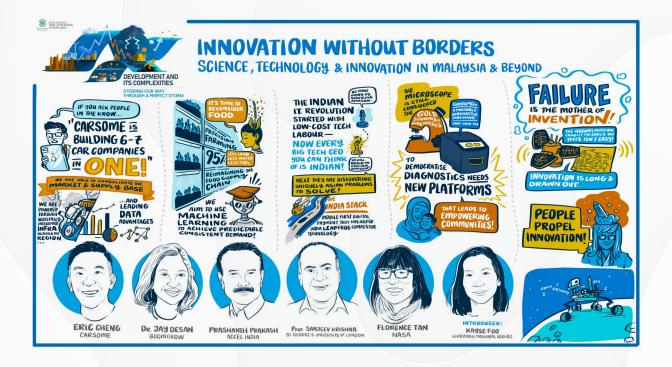
We need to democratise platforms to serve local needs. The Centre for Affordable Diagnostics and Therapeutics (CADT) aims to repurpose existing drugs for new indications. Boomgrow is expanding beyond hotel and restaurant chains to grocery retailers to reach new consumer demographics.

Failure is the mother of innovation. More often we see successful results but not the failures during the process.

Complexity is tough to manage. The innovative process is long and resource-intensive. A collaborative and open-minded team is crucial for idea generation.

Innovation is people-driven and facilitated by cross-disciplinary collaboration. Industry players should encourage diversity of thought and shared risk taking to increase the pace of scientific progress. For instance, NASA has enacted open-space policy and double-blind reviews to encourage innovation.

The key is to learn from failures and never give up in seeking new invention. Only 55% of Mars lander launches have been successful. There are many issues and new inventions will be created as a result of solving them. For instance, the Skycrane manoeuvre used to land the Curiosity rover in 2012 drew









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DAY 2 SESSION SUMMARIES

FEATURE ADDRESS by Prof Stefanie Stantcheva

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How People Understand Economic Policies

People's understanding of economic policies is shaped by different factors (e.g perceptions, attitudes, knowledge).

In general, people are worried about structural problems (e.g climate change, lack of social mobility, and inequality of opportunity). There is an increasing pressure for governments to act urgently to solve these challenges.

Nonetheless, concerns and prior knowledge regarding an issue do not translate to policy inclination and intervention. In reality, people tend to have different views on "hard" facts and different favoured solutions.

People with different pollical affiliations have very different views on redistribution policies. For instance, left-wing people who are most pessimistic about mobility are supportive towards more redistributive policies whereas right-wing people view the government "as part of the problem, rather than the solution".

Among the factors that shape people's receptiveness towards redistributive policies, people care most about who wins or losses, and "fairness".

Fairness is in the eye of the beholder and perceived winners and losers vary across people. Factors which influence how "fair" people view redistribution policies include (1) perceptions of social mobility and equality of opportunity, (2) views about immigrants, and (3) perceptions of one's own stand relative to others.

People are more accepting of inequalities conditional on factors less relevant to income (e.g., municipality, age, gender) than inequalities conditional on factors more relevant to income (e.g., education, sector, firm). Inequalities between co-workers within the same firm or sector and with similar education background is considered most unfair.

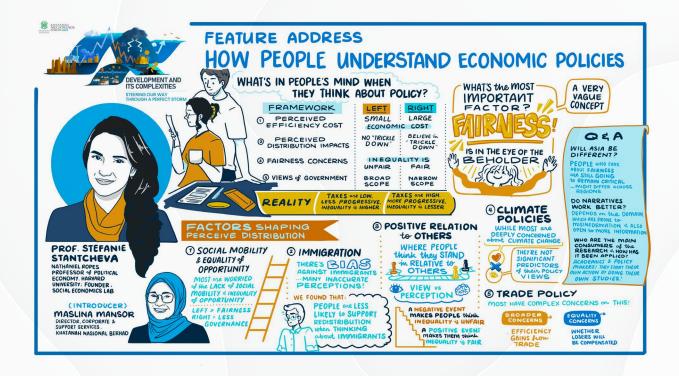
Concerns on "fairness" also affect people's receptiveness towards climate change policies and trade policies. There is likely more support for policy designs which are perceived as fairer and more progressive.

Policymaking may be more effective via narrative storytelling than hard facts.

People have complex and deep-rooted views that influence their receptiveness towards different economic policies. For example, just prompting people to think about immigrants before asking them questions on redistributive policies will make them less likely to support redistribution.

Issues such as climate change, food security, and widening inequality are threats and opportunities. Policymakers should rethink and reinvent economic policies which take into account of the "human perspective" to better serve society.

Rather than forcing "hard facts" down people's throats, policy advocates should focus on crafting narratives which can effectively challenge people's current stance. However, it is important to note that understanding facts are helpful in policymaking within certain domains such as climate change.



CORE SESSION 3: GROWTH AND DEVELOPMENT

by Prof Ha-Joon CHang, Katrine Marcal, Prof Nathan Lane

Development and its Complexities: An Industrial Policy By All For All

There is a long history of gender bias in industrial policy.

Trade and supply chain are largely dominated by men, holding almost all (99%) of procurement contracts in the world economy. This has created massive opportunities and innovation potentials from women.

There has been a wealth of inventions that were set aside historically because they weren't "masculine" enough for the society, resulting in too little investments for technology that are made by or for women in the society. For example, the demise of electric vehicles around 1970s in the United States happened partly due to electric vehicles being marketed for women.

Care and services economy has been neglected due to it being regarded as "feminine work". Subsidising forms of care work will help maximise social returns. This further supports a more inclusive view of the economy to navigate the complexities of development.

Political economy and industrial policy are interrelated and represent the biggest barrier.

Economics is essentially at the heart of politics, because the market is defined through political means. The political institution determines who benefits from change and development, which is an unfortunate situation because millions fall through the cracks of development.

Meritocracy is inherited today, with wealthier parents using the system to safeguard opportunities for their children to remain at the top. To tackle this, the living standard for every child/family should be guaranteed through the provision of free education, training, and housing.

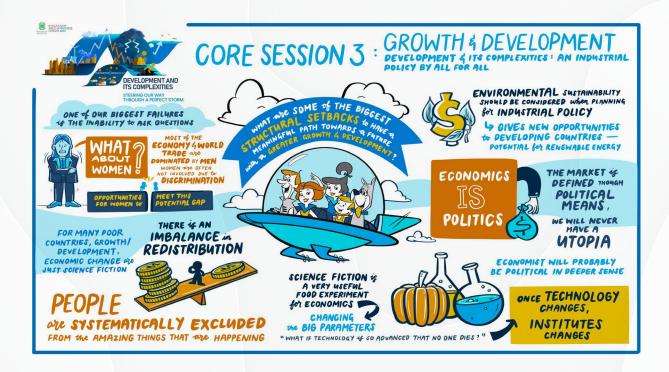
Institutions have pushed grandiose industrial policies more overtly but have only been justified theoretically and without data. We need to be able to evaluate the returns of past industrial policies, in order to systematically determine suitable industrial policies.

Technology and automation have been a part of capitalism history; we should be prepared for it.

Female-dominated sectors in the labour market are less likely to be affected by automation. Some of these jobs such as care workers require some sort of skills and specialisations, including interpersonal skills and emotional intelligence, which are hard to be replaced by machines.

To maintain our material progress, industrialisation is important. We have what we have today because of technological innovations from an industrialised market. For example, over 80% of the research and development (R&D) initiatives came from the manufacturing sector, including fertilizers, tractors, and more.

There is a positive outlook for strong industrial policy in the future. The potential is high in industries related to sustainability, for example shifting the focus to the utilisation of renewable energy (e.g., solar energy) enables cost-savings in the industrialisation process and helps capture new windows of opportunities.



FEATURE ADDRESS

by David Rooney

Clocks and the Long View

The Historical Significance of Clocks

Worldwide, the clock tower serves as the symbol of the city and the people's identity. Citing Chioggia, one of the world's oldest working clocks that has witnessed the survival of the town through deadly pandemic and warfare. It is a monument symbolizing hope and long view.

The clock tower is an essential infrastructure carrying historical stories. It was usually built in a public square that is easily accessible. In former colonies, clock towers were built on Western ideas of order and discipline.

Atomic clocks keep the entire modern world functioning. Their roles span agricultural, religious, financial, and other essential human activities. Information is also largely derived from time signals of global satellites, but they are weak and are easily spoofed. Therefore, we are becoming increasingly reliant on high-precision clocks for our daily lives.

Tyranny of Time

Time zones have been used as an exercise of political power. For example, the GMT used as the main reference point for standardized time zones

Clock towers were used by the colonial authorities as a physical representation of the ruling colonial class by proxy and as a tool of control and oppression, they were designed to operate at a slower pace to keep labour working for longer hours of the day.

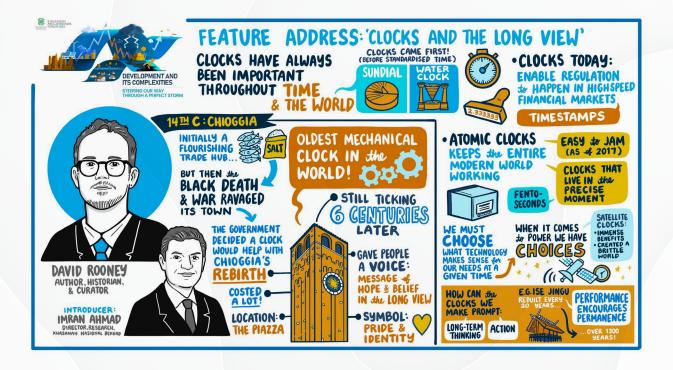
Clocks have been used to regulate the financial market since 1611 but there are risks associated with the increased sophistication of modern clocks; firms with better computing systems have an inherent advantage in computerized trading as their machines can process and perform financial transactions at a faster rate. Currently, 50% of stock trading in the United States are conducted through high-frequency trading.

Clocks and the long view

Civilization brought about pathological short attention spans. Technological advances allow time to be measured up to femtosecond, which may narrow our view of time and the future. There is a growing need to focus on the long view and to be more forward-thinking.

Clock is a tool for humans, and we must not be beholden to them. Timekeeping is not limited to human activities but is also relative to the natural clock. This means the synchronization of artificial time and the natural time cycle.

Society must decide the future concept of time. What messages do we want to pass on to our successors? What do we say to our descendants as we steer and navigate ourselves through the perfect storm.



FIRESIDE CHAT: INNOVATION ECOSYSTEM

by Christine Tsai, Jupe Tan

Impact is part of the venture capital DNA.

Many of the megatrends that Venture Capitals (VCs) are looking at overlap with Dana Impak's six key themes. There is a push for innovation and a huge opportunity within the startup space in serving the underserved through areas such as financial inclusion, food security, digitalisation, access to healthcare and education, and sustainable cities.

While based in Silicon Valley, 500 Global and Plug and Play see a lot of potential that can be galvanised in the Southeast Asian startup space. 500 Global's first Southeast Asian investment was in 2011 and 20% of their global team is based in KL. Plug and Playstarted investing in Southeast Asia since 2015. We are just scratching the surface in terms of capital, especially compared to the public markets and other areas within private investment.

Team, technology, and traction are the key filters used to identify potential investments. There needs to be defensible and scalable Intellectual Property (IP) and strong conviction that the company can become a category leader. Investors also look at the serviceable market size, which is a subset of Total Addressable Market (TAM) and varies by geography and industry.

Corporates play an important role in the VC ecosystem as investors, innovation or distribution partners, and acquirers.

While VCs focus on early seed ventures, corporate funding is essential to keep startups afloat in the following rounds. Also, corporates provide a platform for startups to acquire customers.

Corporates are increasingly engaging in 'external innovation' by outsourcing innovation to startups. In contrast to the traditional model of supplying mentorship and funds, corporates are also supplying problem statements for startups to provide solutions to, and this is a mutually beneficial relationship.

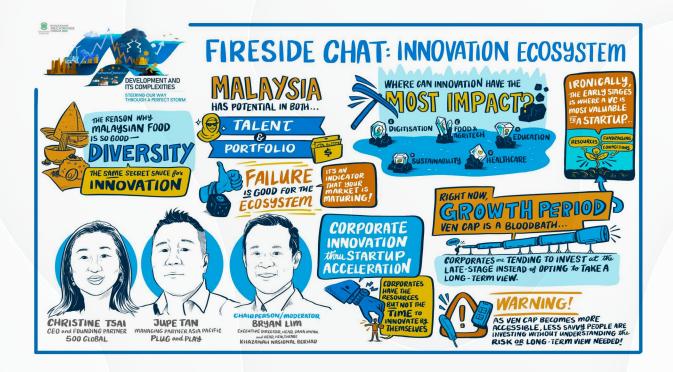
Corporates need to understand that VC is a long game. Returns take time to materialise. Currently, many corporate innovation initiatives often fizzle out after 2-3 years due to poor or no returns, as corporate executives tend to take short-term views.

Managing risks and accepting failures are crucial for VCs to thrive.

Diversification helps manage risks. 500 Global's track record shows that their approach of de-risking early-stage venture via diversification through a larger number of investments has worked well, compared to traditional venture capital that only invests in 10-20 companies.

Failure is common in nascent markets, but we should not let this deter investment to help jumpstart the economy. Negative headlines about failed VC investments are causing concern about global funding avoiding the market. However, this is usually not the case, and the ecosystem is maturing.

VC is high-risk, high-reward, and long-term. 500 Global invested in Mexico and Southeast Asia which was very risky back then but are currently generating positive returns.



MALAYSIANA: 'Stories of Spectacular Malaysians' by Alvin Chen, Faisal Ariff, Hanna Alkaf, Ida Thien, Dr Yolanda Augustin

It is not only about what we know, but who we know that determines our outcomes.

Influence of background and how it shapes our socioeconomic outcomes. Importance of the right platform should not be undermined in tackling social gaps and provides a pathway to a better future.

Power of inclusivity in building social capital. Cross-class friendships have the ability to build knowledge and social capital. Expansion of networks lead to better access of opportunities and acts as a platform for personal growth.

"The only ingredient we are short of is integrity". Fairness should be exercised when rewarding talent to ensure an equitable outcome. A system that is more inclusive, is also one that has a more resilient and excellent form of success.

Empowerment is at the core of each social movement.

It is important to create opportunities for the beneficiaries and empower them to make choices themselves. Closing the Gap acts as a platform to provide multiple options for beneficiaries while providing a secure space for decision-making process.

A successful movement is not only one that self-empowers their beneficiaries, but also allow for them to empower others. Recipients of the What a Waste (WAW) programme also contributes back to the movement by being employed by WAW as their professional cooks or ambassadors.

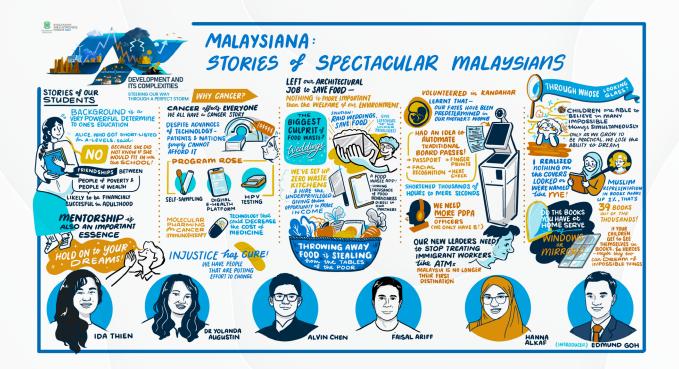
Representation in popular fiction can serve as tools of empowerment by encouraging us to dream the impossible. Thus, it is important to encourage diverse characters in fiction and to create representations within our capabilities.

Innovation and development are essential in addressing the gaps identified in society.

It is crucial to identify and acknowledge systemic short-comings, and execute the changes needed. The revamp of the YTAR scholarship selection process which prioritize equity over merits allows opportunities to disadvantaged students. Similarly, migrant workers should be given fair treatment as they continue to play an important role in nation building.

The inclusion and development of technology within social change movements can improve accessibility to goods and services. The invention of See-and-Treat point-of-care pathways for cervical screenings in rural settings improved the outreach of cervical cancer treatment among rural women. Additionally, the What a Waste movement and app which linked food providers to recipients gave way to the redistribution of food to lower-income communities.

Finding your "Ikigai" in the work that you do can inspire innovation in your field. While passion, mission, profession, and vocation are important motivators in your career, it is also important to find the overlap of doing what you love, what the world needs, what you are good at, and what you get paid for.



FIRESIDE CHAT: COMMUNITY DEVELOPMENT

by Bill Walczak, Alina Amir

Creating a community that comes together to empower each other can change a child's trajectory

Community building needs to be inclusive. Children defined by social circumstances can lose out under systemic pressures. Therefore, community building requires championing not only children, but also their parents.

Social conditions can be geographically and economically determined. Thus, government policies need to level the playing field.

We need to build communities that are resilient and hopeful that things will change in a large scale. Disasters such as a pandemic disproportionately affects marginalized children, and we need to address the root issues of children being left behind.

Everyone plays a role in building community, not concentrated to few.

Providing children with access to learning centres and to teachers, mentors and peers creates an appetite for knowledge. Through this they will want to be more and learn more.

We have to adopt a farmer's approach where we farm and grow people instead of a hunter's approach where we hunt and force people to practice things. We need to support the community builders in order for them to build communities in a more efficient and effective way.

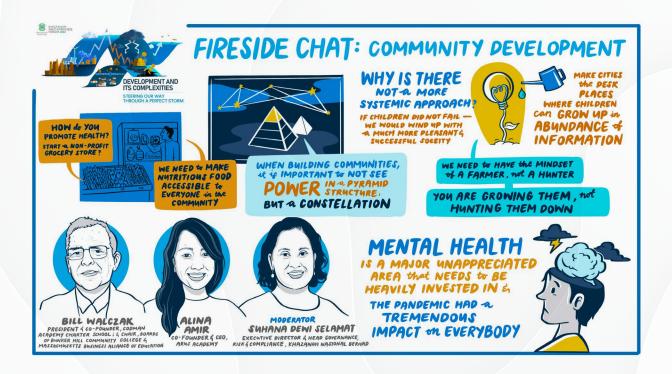
Community centres and NGOs can be engines for economic development. This includes taking children from marginalized communities and realizing their potentials through exposure to opportunities. This can be done by strategic placing of facilities and services.

Community building requires a unified and systemic approach.

Although there is potential for change, there remains uncertainty at a systemic level. It is important that new policies should not be introduced without sufficient data and research.

Community building needs out-of-the-box thinking. For example, establishing a community medical centre that does things beyond a medical model and empowering youth to spur policy-level changes.

We need to have a wider focus and use systemic approaches to achieve more. The ultimate goal should be looking at ways to create environments where children are better taken care of, in order to spur a virtuous cycle that develops society as a whole.



CORE SESSION 4: PEOPLE AND LEADERSHIP

by Dato' Abdul Rahman Ahmad, Bill Walczak, Katrine Marcal



O Captain My Captain - The Trials and Tribulations of Leadership in Steering through a Perfect Storm

A leader needs a sense of purpose.

Not every leadership journey is linear, but all must have a sense of purpose. Having a clear purpose and outcome is vital in shaping strategic actions, whether it is in heading a regional bank, improving economic discussions by adding the gender dimension, or building a local non-profit community health center.

Your team must understand and believe in the mission too. As organizations become more complex, decisions need to be democratized. Employees and team members must understand the organization's purpose in order to make decisions that are in line with this purpose.

Focus on execution and outcomes, not just blueprints. The focus on execution and delivering results is understated. While it is important to build knowledge and develop the tools needed for delivering results, it is important to take the first step and just "do it".

Learning from past crises, leadership must change and adapt accordingly.

Values outweigh delivering results. In a changing environment, leadership styles must adapt by focusing on the broader purpose. For example, during the Covid-19 pandemic, leaders had to create an empathetic environment for employees to rely on their leaders, making employees inspired to continue working from home and deliver results.

Passion delivers excellence and great results. To address the big resignation and quiet quitting during the Covid-19 pandemic, leaders must fuel employees' passion and reengage staff. Leaders must do strategic planning to rethink how employees can perform in their jobs as it is more costly to rehire.

Spotlight on women leaders should not just be shone in times of crisis. There is a problematic narrative in which women leaders should be called upon when there is a 'big mess'. However, discussions on female leadership cannot be one-dimensional and we must recognise women leaders as complex characters.

To weather through the perfect storm, certain leadership qualities are crucial.

Leaders need to enable diversity, equity and inclusion. With diversity, fewer blind spots go unnoticed, better decisions are made and innovation becomes a low-hanging fruit. Furthermore, leaders must recognize and embrace an increasingly diverse future.

Leaders must focus on their strengths, harness talent and be able to manage other competent leaders. With a myriad of varying issues and unpredictable events, it is impossible for leaders to handle all alone. Instead, leaders must deliver results by understanding their strong areas and empowering others.

A better balance between the 'invisible hand' and 'invisible heart'. Apart from the invisible hand, we must ensure that policies look at values, beyond market outcomes. We need to act as a world and take the opportunity to shape the future trajectory through holistic thinking.



CLOSING ADDRESS

by YB Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz

The perfect storm is hitting the economy from all directions

The current state of the global economy is concerning. Inflation is increasing and the global economy is experiencing tightening monetary and fiscal policy in response to rising commodity and food prices.

Prolonged geopolitical tensions, including the Russia-Ukraine war and the South China Sea and Taiwan disputes, are leading to constant supply chain disruptions.

The gap for equitable distribution of wealth has widened throughout the pandemic – the impact on social polarisation stemmed from the Covid-19 pandemic is not over.

Malaysia is still resilient and competitive

Malaysia's current standing is in a better footing at present. GDP growth has increased for 3 consecutive quarters, with an anticipation to meet and even exceed the official 2022 GDP projection.

The Government and Ministry of Finance strive to be responsive to the short term needs of people and business, while being responsible in building resilience.

Reformist policies are continuously being crafted to address structural issues. This includes expanding social safety net frameworks; reforming investment policies through the development of the National Investment Aspirations; and strategically positioning the country to maintain a growth trajectory despite ongoing supply chain reorganisation.

Think outside the box to weather the perfect storm

We need to strengthen the ASEAN network to build resilience against rising global geopolitical tensions. Such a network will result in a strong ASEAN-wide supply chain which ensures the public's food and energy security.

To prevent the economic pains of a weakening currency, nations of the world should create a viable International Monetary Cooperation Mechanism. Today's currency system neglects the unique needs of smaller economies. All nations should cultivate a sense of responsibility and justice towards global economic growth.

Malaysia remains committed to aligning economic development with the global ESG trend. Aside from reforms in financing, decarbonization market reforms such as the implementation of a carbon pricing mechanism and a climate change bill should be in the pipeline

