

The blue refers to the colour of the sky

Symbolism of Pakatan Keadilan Flag

The symbol of the open Eye at the center of the flag is to light the way of the struggle to maintain justice. The Eye that is open reflects the conscience which propelled the Party to achieve changes towards truth and justice.

The left and right red column symbolizes the courage and commitment to fight for truth and justice.

SELANGOR JOURNAL



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SELANGOR — A DECADE OF PROSPERITY

by **Apsara Murale**

For the first time in 2008, the federal opposition pact entered the state of Selangor as the ruling government in Malaysian history. The federal opposition pact was not chosen on the basis of experience (they had none)-they were chosen purely for the message of hope and change they symbolised as a movement. Messenger and message were inseparable and the federal opposition pact was a mirror in which millions of Malaysians saw their aspirations reflected: transparency and accountability.

With the federal opposition pact governing the state of Selangor from 2008 until recently, policy competition became a thing to watch. This was one of the major gains for Malaysia as a democracy. In 2008, the federal opposition pact took Selangor in the midst of a global financial crisis when governments everywhere were pumping huge sums into their respective economies. The federal government of Malaysia did the same thing. The result was that the national debt as a percentage of GDP surged to 52.8 per cent. In response to this, the Selangor government helmed by the federal opposition pact has sought to successfully balance austerity measures and spending on people-centric policies.

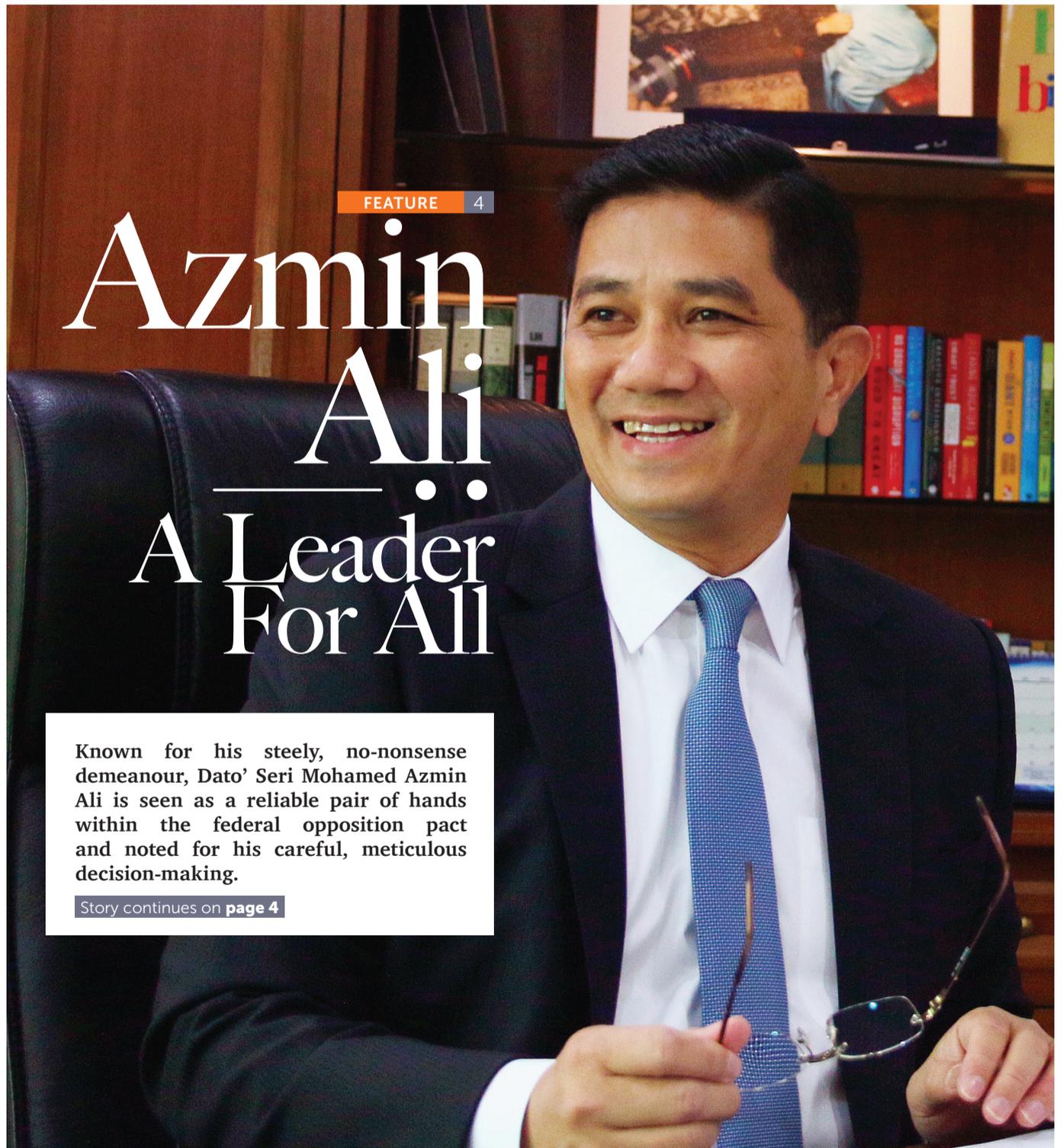
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FEATURE 4

Azmin Ali A Leader For All

Known for his steely, no-nonsense demeanour, Dato' Seri Mohamed Azmin Ali is seen as a reliable pair of hands within the federal opposition pact and noted for his careful, meticulous decision-making.

Story continues on **page 4**





KPS Embraces Boardroom Diversity

Kuala Lumpur, Malaysia, 6 April 2018 – Diversified group Kumpulan Perangsang Selangor Berhad announced today the appointment of Ms Rita Benoy Bushon and Ms Norliza Kamaruddin as independent non-executive directors of KPS, effective 6 April, 2018. The two appointments expanded the Board to ten members, from eight previously.



Ms Rita Benoy Bushon



Ms Norliza Kamaruddin

KPS Chairman Raja Dato' Haji Idris Raja Kamarudin said: "We are delighted to welcome two accomplished women to the KPS board, as part of KPS's commitment to embracing gender diversity as well as expanding the breadth of experience, based on individual merits, whom have led their respective fields and won numerous awards. Their appoint-

ments bring an outstanding mix of expertise to the Board and would further strengthen KPS's fundamentals. Ms Rita's unique perspective as corporate governance advocate and capital market veteran will be invaluable during a time of transformational expansion for the Group. Whilst, Ms Norliza's wealth of communications insights will aid KPS's stra-

tegic approach to aggrandise our branding and improve the Group's visibility in the eyes of the public. We look forward to their contributions to KPS's mission in creating sustainable value for our stakeholders and enhancing the quality of life of the larger community."

Manifesto Wrong and Misleading

Penampang, Sabah, April 7, 2018- At the Kapayan DAP 14th General Election Preparations Dinner held in Penampang, Sabah, DAP Parliamentary Leader Lim Kit Siang told the audience that Prime Minister and Barisan Nasional Chairman Datuk Seri Najib Razak's manifesto, themed "Bersama BN Hebatkan Negaraku" (With BN for a Greater Malaysia) is wrong and misleading as "Bersama BN" will not "Hebatkan Negaraku" but "Hancurkan Negaraku". He said that instead of becoming a great nation admired and respected by the world for our accomplishments in various fields of human endeavour, the latest Transparency International (TI) Corruption Perception Index (CPI) 2017 shows that Malaysia fell to the lowest ranking of No. 62 out of 180 countries,

“Bersama BN” will not “Hebatkan Negaraku” but “Hancurkan Negaraku”

which is the lowest ranking in 23 years. He also said Najib “copied” Trump’s use of an “anti-fake news” campaign not to combat fake news based on lies and false information but to impose a new form of censorship to suppress reports about abuses of power and corruption, in particular the 1MDB scandal.

The Barisan Nasional manifesto launched in Kuala Lumpur tonight pledged to implement the Malaysia Agreement 1963 proposals based on consensus achieved in Barisan Nasional. According to Lim Kit Siang, this is a real cop-out since consensus has got nothing to do with implementing the Malaysia Agreement 1963. However, he promised that if Pakatan Harapan wins the GE14 and forms the new Federal Government, they will implement the Malaysia Agreement 1963 without hesitation or compromise as the question of a consensus does not arise.

At the close of his speech, he reminded Sabahans that it is completely unacceptable that after more than half a century of nationhood, the people of Sabah still do not have basic infrastructures of clean water, electricity, health, education and transportation.



RM 23 Million for Schools

Shah Alam, 16 Apr: An allocation of RM23 million was disbursed by the State Government to help fund the development of Chinese, Tamil and Missionary National-Type Schools, in 2018.

Caretaker Menteri Besar, Dato' Seri Mohamed Azmin said, that the funding was decided after getting the approval from the Selangor State Legislative Assembly, last October.

“
The aid is a result of careful planning and the State Government’s commitment towards the educational industry.”

He said that the initiative was implemented to reduce the financial burden of these schools to improve facilities and infrastructure.

“Education is the heart of society’s progress and one of the most important factors to spearhead the efforts to eradicate poverty, spur economic growth through sustainable developments and to ensure the state’s prosperity and the people’s wellbeing,” he said.

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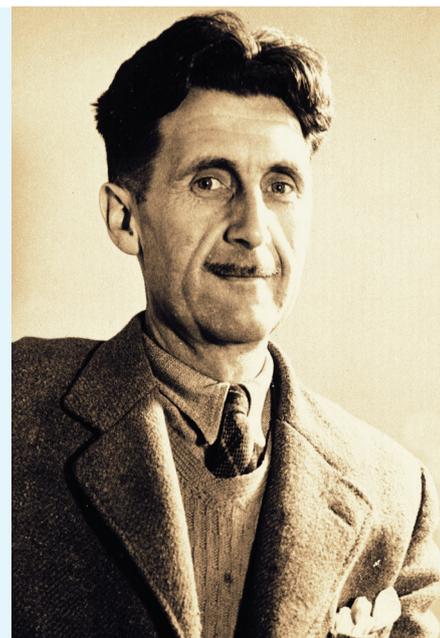
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“
A people that elect corrupt politicians, impostors, thieves and traitors are not victims... But accomplices”

George Orwell

Dato' Menteri Besar of Selangor

Incumbent | Assumed office | 23 September 2014

Monarch **Sharafuddin Idris Shah**
 Preceded by **Abdul Khalid Ibrahim**
 Constituency **N.19 Bukit Antarabangsa**

Deputy President of Parti Keadilan Rakyat

Incumbent | Assumed office | 28 November 2010

Vice-President of Parti Keadilan Rakyat

In office | 9 November 2001 – 28 November 2010

Member of the Malaysian Parliament for Gombak

Incumbent | Assumed office | 8 March 2008

Preceded by **Rahman Ismail**
 Majority **6,867 (2008)**
4,734 (2013)

Member of the Selangor State Legislative Assembly for Bukit Antarabangsa

Incumbent | Assumed office | 8 March 2008

Preceded by **Azman Wahid**
 Majority **1,381 (2008)**
4,044 (2013)

Name **Mohamed Azmin bin Ali**
 Date of Birth **25 August 1964 (age 53)**
 Citizenship **Malaysian**
 Political party **PKR**
 Political affiliations **Pakatan Harapan**
 Spouse **Shamshida Taharin**
 Children **3 daughters, 3 sons**
 Residence **Ulu Kelang, KL, Malaysia**
 Alma mater **University of Minnesota**
 Occupation **Politician**

Azmin Ali

A Leader For All

Known for his steely, no-nonsense demeanour, Dato' Seri Mohamed Azmin Ali is seen as a reliable pair of hands within the federal opposition pact and noted for his careful, meticulous decision-making.

If you take a look around Selangor, the richest state in Malaysia, you will see the effects of Dato' Seri Mohamed Azmin Ali's leadership. As a first term Chief Minister of Selangor, Dato' Seri Mohamed Azmin Ali has been credited with making Selangor among the best performing states in Malaysia. Since he took over, Selangor has grown as the leading contributor to Malaysia's GDP, with many of his government's initiatives in multiple industries being pointed out as the cause. Simultaneously, its debt was almost halved from RM27.1 million in 2015 down to RM14.7 million in 2016, which is after he came into office, and in contrast to Pahang and Kedah's debt, which stands at over RM1 billion each.

His achievements aside, Dato' Seri Mohamed Azmin Ali hopes to convince voters in the upcoming elections that he is a competent leader for all, capable of steering Selangor in the right direction.

Rising Star

Born on the 25th of August 1964 in Singapore, the fourth child of six siblings, Dato' Seri Mohamed Azmin Ali grew up in a household with close ties to the military. His father, Haji Ali Omar, was part of the British army before serving in the Malaysian army. Four years after Azmin was born, his father moved the family to Gombak (where he currently serves as an elected rep).

It is easy to see why Dato' Seri Mohamed Azmin Ali's meteoric rise in politics is inevitable. US-educated with a never-say-die attitude, The Star back in 2010 noted Azmin's "impeccable understanding of timing in politics," something very few politicians are able to discern. This, coupled with his impressive intellect and persuasive style of argument made Dr Mahathir Mohamad handpick him at the tender age of 23 in the mid-1980s to be Anwar Ibrahim's Special Officer while Anwar served as Minister of Education. The position not only cemented his loyalty to Anwar Ibrahim, it also established his reputation as a dynamic and progressive leader.

Dynamic and Progressive

Unlike his predecessor, former chief minister Tan Sri Dato' Seri Abdul Khalid Ibrahim, Dato' Seri Mohamed Azmin Ali's commitment towards improving the lives and welfare of all citizens in Selangor irrespective of race and religion reflected his dynamic and progressive style of leadership. His stance on the forced removal of the cross at a church in Taman Medan, Petaling Jaya in 2015 heralded the arrival of a new breed of politician who is unafraid to speak out on issues that affect the multicultural fabric of Selangor. His continued support of the Malay, Chinese and Indian communities in Selangor through various Smart Selangor Initiatives is a testament to his administrations' belief that racial and religious diversity forms the bedrock of Selangor's unique cultural identity. In addition to this, his transparent and accountable administration during his tenure as Chief Minister ensures that he remains popular among voters in Selangor.

Speaking to Today Online, PKR vice president Chua Tian Chang, who has known Dato' Seri Mohamed Azmin Ali since 1998, Dato' Seri Mohamed Azmin Ali has managed to set himself apart from his contemporaries with his work ethic. Compared to other politicians, he is a conscientious leader who

prefers to let his work show for itself.

"He may not be as charismatic as Anwar but this is one of his strengths because sometimes, you need a person who can translate policies into actions," said Mr Chua, popularly known as Tian Chua. "He is a doer and not a talker. He prefers to work and let the results speak for themselves."

This sentiment was shared by Dato' Teng Chang Khim, the vice-chairman of the Selangor DAP, who described Dato' Seri Mohamed Azmin Ali as "cool-headed" and "capable" leader who is keenly interested in the affairs of the state and learns fast.

Dato' Teng — who has worked under Dato' Seri Mohamed Azmin Ali for three years as a state executive councillor — said Selangor has attracted billions in foreign investments.

The administration has also rolled out various programmes for the bottom 40 percentile (B40) of Malaysians in the state including free shuttle buses and subsidised medical care for households earning below RM3,000 a month.

If Selangor can do it, why can't Putrajaya? Despite being a small state, Selangor has succeeded, not only in being a prosperous state but also in taking care of the interests of everyone.

Bright Future

Despite his administrations' success, the nomination of Dr Mahathir Mohamad as the opposition's candidate for prime minister has shone the spotlight on Dato' Seri Mohamed Azmin Ali's political ambitions with questions being raised about his political future. It has to be said that politicians of Dato' Seri Mohamed Azmin Ali's calibre will not be content to merely remain as Chief Minister forever. It is clear that he is widely seen as one of the most promising politicians in the opposition ranks as well as a potential prime ministerial candidate. His success as the Chief Minister in the country's richest state indicates that he has the mettle for greater responsibilities in the future.

In the end, as DAP's Dato' Teng says, "A good politician should always look ahead for bigger, better things."

Major Milestones: Chief Minister of Selangor Dato' Seri Mohamed Azmin Ali

2018

Attracted international investors like IKEA, Baker Hughes and General Electric International worth billions

2017

Oversaw the unprecedented increase of state reserves amounting to RM 3.24 billion

2016

Selangor introduced the Smart Selangor Initiative which will cover 12 domains such as Governance, Waste Management, Digital Infrastructure, Transport and Mobility, Energy, Water, Healthcare, Education, Food and Agriculture, Disaster Management, Building, and Security.

Successfully resolved the Ijok Land Deal after settlers were forced to struggle for 18 years due to the mismanagement of the previous BN administration.

2015 - 2016

Halved the State Government Debt from RM27.1 million in 2015 down to RM14.7 million in 2016

20 April 2015

Deftly handled a sensitive religious crisis after 50 Taman Medan residents forced a church to remove the cross. He urged the residents to be respectful to those of different faiths

23 Sept 2014

Became the Chief Minister of Selangor after the PKR incumbent Tan Sri Dato' Seri Abdul Khalid Ibrahim, resigned.



Property Glut

Owni ng a home is part of the “Malaysian Dream.” It allows people to take pride in a property and engage with a community for the long term. However, homes are expensive (at hundreds of thousands of ringgit — or more), and most people need to borrow money to buy a home.

In the late 2000s, that dream came into reach for a record number of people. After the 2008 (US Subprime Mortgage Crisis) property correction, from 2010 to 2015 property prices in Malaysia have appreciated between 30% to more than 100% especially within the Klang Valley and Penang. Back then interest rates were low, allowing purchasers to get relatively large loans with a lower monthly payment. In addition, since home prices increased dramatically, buying a home seemed like a sure bet. Banks believed that homes make good collateral, so they were willing to lend against real estate and earn revenue while things were good. Developers too took advantage of optimistic purchaser sentiment by pricing residential properties far beyond what ordinary Malaysians could afford.

Supply Outstrips Demand

Buoyed by the confidence of these purchasers, developers began supplying residential properties at a rate that far outstripped the demand for these properties. “Supply-demand imbalances in the property market have increased since 2015. Unsold residential properties are at a decade high, with the majority of unsold units being in the above RM250,000 price category,” Bank Negara Malaysia explained. Bank Negara Malaysia added that the glut is caused by developers selling these units at above RM250,000 beyond what most Malaysians could afford. Further, according to Bank Negara Malaysia, currently, there were 130,690 unsold units at the end of 2017, with 83 per cent priced at above RM250,000. At least 61 per cent of the unsold units were high-rise apartments.

According to Faizul Ridzuan, Founder and Chief Investment Officer of Far Capital Sdn Bhd, a boutique property consulting firm, the reason for the unsold units is a result of the property bull run from 2010 to 2015. “After the global financial crisis in 2008 and 2009, the property market experienced a bull run from 2010 right up to 2015 when cheap interest rates and lack of supply created a pent-up demand for residential properties. Developers became overconfident and would just launch anything certain that the market will buy up what-

ever was on offer. Most of the unsold units we see today are from the property bull run era of 2010 to 2015.”

Upward Trend

Due to the high number of unsold units, many are worried that the property market is going on a downward trend which will affect the value of their property. Faizul Ridzuan begs to differ. “When people talk about a property cycle, people have the misguided belief that when the property cycle goes down, property values drop. However, if you look at the index, in the last 30 years, there was only three times when property values have dropped. This was during the Asian Financial Crisis in 1998 and 1999 and in 2016 where because of the property bull run era, if you look at the data, the prices of properties that went up from 2010 to 2015 were from 10% to 15% a year, an exception that exists once every 30 years. It was not a market norm of a rise in prices from 3% to 5% a year. If anything, the value of properties did not drop but the number of transactions involving properties have slowed down. This means that the number of transactions involving property in 2016 and 2017 is comparable to that in 2008 and 2009.”

While the number of transactions involving property has slowed down, Faizul is hopeful that the market will see better times ahead because Malaysia’s economy is doing better than expected and developers have been adjusting their strategy to launch more affordable products after the federal government imposed an indefinite freeze on approvals for luxury property developments to control a nation-wide oversupply of luxury projects. “The new property launches today are cheaper than what was 3 years ago. These days you can get a high-rise condominium with a built-up of 1000 square feet priced for less than half a million and within walking distance of the MRT and LRT.” Affordable homes are also being offered by the federal government and the Selangor government to meet the market demand. As at 31 October 2017, a total of 1,813 units of Rumah Selangorku have been completed and this number will increase to 3,394 towards the end of the year. With the number of affordable homes being built by agencies of both the federal government and state government, Bank Negara Malaysia has suggested that a single agency be set up to handle affordable housing.

Double-edged sword

Besides affordable housing, another interesting phenomenon in Malaysia’s property market is the influx of Chinese investors, Chinese developers and Chinese contractors. The effect can be two-fold. “On the one hand, the housing products and services that they offer will create healthy competition in our local housing market. On the other end of it, most of the products being offered are luxury housing products which in general the locals are unable to afford. Historically, what we have seen is, in all major property market crashes, the locality that gets affected the most is the locality with the high number of foreigners. After the Asian Financial Crisis in 1998 and 1999, the state of Johor was the only local market that did not recover up until 2010 when all other states in Malaysia recovered by 2003. This is because when there is a high influx of foreigners purchasing property, and if there is a market crash, what follows is a high number of NPLs and abandoned housing projects. This is also why back in 2008, you could buy property in Johor far cheaper compared to 1998 and 1999,” explained Faizul Ridzuan.

Lingering Effects

The influx of Chinese developers flooding the housing property market set off a chain of events that will continue to unfold for years to come as legislators, purchasers, bankers, and business people scurry to reduce the effects of the oversupply of property on the Malaysian housing market. The Malaysian public got to see “how the sausage is made” and was shocked to learn how leveraged the world is.

The lasting effect for most purchasers is that it’s more difficult to qualify for a home loan than it was in the early-to-late 2000s. Even though the home loan process is now more cumbersome, hopefully, the financial system is healthier than before.

Better Access to Housing

One of the foremost challenges facing humanity is affordable housing, especially for the urban poor. In Asia alone, 30 per cent of the urban poor live in slums. For the urban poor in developing countries, living in slums or informal settlements has become the norm, with an estimated one billion people living in slums. As market-driven approaches cannot solve social justice problems, it is important to identify mechanisms for the state to ensure housing affordability in urban areas.

The state of Selangor introduced various initiatives to democratise home ownership so that the people of Selangor can gain access to quality, comfortable and affordable houses in urban areas. In collaboration with private developers, the Selangor government has built various types of Rumah Selangorku in strategic locations. A total of 29 development projects have been granted the APDL approval and are expected to provide a total of 20,331 units of Rumah Selangorku in stages towards 2020.

Besides Rumah Selangorku, in an effort to appeal to millennials who prefer social mobility, the Selangor government introduced the Smart Leasing Scheme for millennials wishing to take out a housing lease of 2 to 5 years. Due to the overwhelming response from millennials, in 2018, the Selangor government increased the allocation to an additional RM 50 million for the purchase of houses in strategic locations to be leased out to those who qualify. To date, 861 such houses are owned by the Selangor Housing and Development Board – Lembaga Perumahan & Hartanah Selangor (LPHS) purchased at a total cost of RM 123.14 million.

The Selangor government also introduced the Smart Selangor First Home Buyers scheme with an allocation of RM 15 million. This scheme enables Selangor citizens to own Rumah Selangorku types B and C. Under this scheme, the Selangor government will advance a down payment of 10 percent subject to the purchaser having obtained financing from a bank or financial institution. This advance is in the form of an interest free loan that must be repaid within a specified term to the Selangor government. About 1,000 buyers particularly those among the millennials will benefit from the scheme.

These schemes show that affordable housing initiatives are desirable to ensure equitable outcomes in the housing market. Government intervention and regulation are needed to strike a balance between competing objectives - public interest, social inclusion, profit and commercial feasibility. The government, private developers and the public have to work together to achieve mutually satisfying outcomes.



Caretaker Government in Action

by **Cecelia Alphonsus**

Caretaker governments and their attendant challenges are universal to parliamentary democracies. The government's mandate to exercise its executive powers stems from its ability to command the confidence of parliament. However, there are points in every parliament's lifecycle when no government can lay claim to such support—between parliamentary dissolution and a general election; after a general election and before the new government is formed; or when an incumbent government loses the confidence of parliament. During such periods a government must be in place. But in the absence of parliamentary confidence these cabinets lack democratic legitimacy, which can pose significant problems when they are called upon to make controversial and consequential decisions. For this reason, most parliamentary democracies have developed rules to govern these situations, often in the form of constitutional laws.

Historical Background

In Malaysia, there are no constitutional laws governing the situation of a caretaker government. Just like the Westminster parliamentary system, the concept of a caretaker government is essentially a parliamentary or constitutional convention which is not legally binding. As long as elections produced single party parliamentary majorities, this posed no particular problems because government formation did not typically require complex coalition negotiations. Transition periods were short: on average anywhere between one to two months.

However, inadequate caretaker conventions are wholly dependent on the interpretation of what a caretaker government can or cannot do which gives rise to considerable costs and risks. It is widely accepted that caretaker governments should not make new policy, new expenditure commitments, new public appointments which are binding and enter into significant government contracts. These restrictions keep the machinery of government functional, in a routine way, until the people elect the future government.

Upholding Convention

Selangor strives to uphold the conventions of caretaker governments to keep the machinery of government functional until the future government is elected. What this means is to keep a distance from the public service to ensure that the public service remains neutral. In practice, this is particularly hard to achieve because of the legacy of the previous government administration. The reason for this convention is to prevent questionable conduct on the part of the public service which is appointed to serve the people and not the political party in power.

What this translates into practice was when the Selangor State Legislative Assembly was dissolved on April 9, 2018, Menteri Besar Dato' Seri Mohamed Azmin Ali after getting consent from Sultan Sharafuddin Idris Shah at Istana Alam Shah in Klang, together with the State Executive Councilors returned their official vehicles to refrain from using public resources to further their political campaign objectives.

Best Practices in the Interim

For Dato' Seri Mohamed Azmin Ali, the conventions of a caretaker government are something that he adheres to very seriously long before he even was Menteri Besar of Selangor. The following is an excerpt from a speech he gave as the MP of Gombak at the International Conference on Malaysia, 13th General Elections, 4th – 5th March, 2013 on Advancing Best Practices of Caretaker Convention on Function of Government During Elections

The subject of best practices of caretaker conventions is indeed not a new one for as long as democratic elections have been held caretaker situations would have arisen. These situations would require certain practices to be observed with regard to the functions of government after Parliament is dissolved and right through the period until the final results of the elections are known and a clear majority is obtained by the incumbent; or, if the incumbent is defeated, until the new government is formed.

So, pending this, what we should have is a caretaker government which means what it is: a caretaker. It takes care of the normal business of government holding it in trust for the next government which has obtained a fresh mandate to rule.

This next government could well be the incumbent or it could be a new government but regardless of who the incumbent is or who the possible new power will be, certain conventions have been established to be followed by the caretaker government. 'Conventions' are by definition practices that are recognized as standard and proper over time even though they may not have the force of law.

Public services must be apolitical

Let me deal with the first basic convention recognized by all established democracies, which is that the caretaker government must keep its distance from the public services. By "public services" I mean the general civil service plus the administrative and diplomatic service and all the essential law enforcement services in particular the military, the police, the anti-corruption agency, and of course the Attorney-General's chambers.

Strictly speaking, it should be stated the other way around, that is, the public services must keep their distance from the caretaker government. Keeping a distance means to remain politically neutral.

On that score, I can say firstly how important it is to separate the party from the state whether it's the state government or federal government. Regardless of the outcome of the elections, in a caretaker scenario, the relationship between the incumbent Government and the public services is one of the most important areas to be closely watched. Now, if we are accustomed to the practice and truly subscribe to the principle that the public services should be politically impartial as a whole, then this convention is not difficult to follow.

Separation between the public services and the political party forming the government in power is a major issue. They are supposed to be apolitical in the first place but sometimes this line is particularly hard to define and often blurred by various considerations. The thrust of this convention is to prevent controversies and questionable action on the part of the public services which are established to serve the people, not the political party in power.

How does this translate into practical situations? Once the legislature is dissolved, serving ministers and all those appointed by virtue of party affiliations to be members of the Executive are no longer responsible to the Lower House simply because it is already dissolved. They continue to hold the reins of power as caretaker. They must immediately refrain from using public resources to further their political campaign objectives.

It is true that this in fact should always be the practice whether or not elections are called but we know that in reality this is easier said than done. Let us however agree that in a caretaker scenario, this requirement should be taken not just as a best practice but as an imperative because in the run up to elections, party activities will predominate over government activities. To cite a real example, Ministers and their subordinates during this period must not use government owned transportation whether it be cars or jet planes to take them around in their party campaigns.

This seems a very straightforward best practice but of course as they say the proof of the pudding is in the eating. Impartiality must be seen in words and in deed. The general principle is that the incumbent must avoid the use of federal resources for activities that would give its party unfair advantage. Again, another obvious example would be the use of state run media as in television, whether it is to attack the political rivals or to promote its own agenda. This must be avoided at all costs.

Avoiding major contractual undertakings

The next area of best practices is the avoiding of entering into major contracts that would have the effect of committing the incoming government to legal undertakings. The reason is obvious. The incoming government might well be a new government replacing the incumbent and with that comes its own set of policies and strategies in relation to matters of the state or the federation.

In this regard it must be emphasised that major policy decisions during this interim period must be avoided until final resolution of the elections and the new government takes over.

In line with this too, significant appointments to public service must also be avoided during this interim period. It is true that what constitutes 'significant' could vary from circumstance to circumstance. No hard and fast rules can be laid down here but in times of uncertainty common sense should prevail. Observing these conventions under this subhead is crucial so as not to limit the incoming government's freedom of action.

TRIVIA

The Malaysian Constitution, does not contain any provisions for the concept of a caretaker government, as it is generally a parliamentary practice or convention. The concept is traditionally derived from the Westminster parliamentary system, which the Malaysian administration adopts.

It is used in parliamentary democracies where the government is formed from the majority political party in the elected House of Representatives.

When does a caretaker government come into play?



The first instance follows the dissolution of parliament, whereby a general election is held to determine if the new government would be formed from either the ruling party or the opposition.



The second one involves the old government continuing in a caretaker capacity after the general election because a new government has not been formed due to a hung parliament or a lack of a clear mandate from any party. When this happens, parties normally come together and form an alliance to create a coalition government.



The third instance is where the incumbent government has been defeated on a confidence vote in parliament and is allowed to remain in office until it is dissolved and a general election takes place.

This resulted in the Selangor government registering its highest state reserves in 30 years in 2017—a record-breaking



Continued from cover page...

Growing Reserves

As a measure of austerity to counteract the effects of unchecked federal government spending at the national level, the Selangor government since 2008 seized upon the opportunity to improve the management of state resources, efficient collection of overdue arrears and stricter use of state assets. This resulted in the Selangor government registering its highest state reserves in 30 years in 2017—a record-breaking RM 3.24 billion up from RM 1.4 billion in 2008 an increase of 153.4%. According to Menteri Besar Dato’ Seri Mohamed Azmin Ali, the increase in state reserves was due to good governance centred on the principles of integrity, accountability, openness and transparency, and not because of the previous federal government administration of Selangor. “The records of the Selangor state government prove that between 1999 and 2007, Selangor-state reserves declined by 22.6% that is from RM 1.79 billion to RM 1.38 billion. This means that for a period of nine years of federal government administration, the Selangor state reserves declined by about RM 405 million,” explained Menteri Besar Dato’ Seri Mohamed Azmin Ali in his concluding speech on the Selangor State Budget 2017 on the 3rd of November 2017.

The Selangor state government also improved their reserves by placing a strong emphasis on developing the state economy on a higher-level plane in recognition of the demand for high-quality performance-based services. For 2016, Selangor’s GDP rose to RM 251.6 billion making up 22.7 percent of the national GDP compared to RM 240 billion or 22.6% for the previous year. This achievement was followed in 2017 where the services sector in Selangor contributed 59.7% to the state GDP while the manufacturing sector contributed 28.8%. As a result, Selangor maintained its position as the prime destination for investors.

Investment Destination

Selangor continues to attract major and high technology investments from developed nations. The overall investment potential to being negotiated is expected to be finalised at a value of up to RM 404.5 million involving the aerospace, automotive, as well as electrical and electronic industries. For 2018, the Selangor state government will allocate a total of RM 25 million for activities and programs planned by Invest Selangor including investment missions.

Among the exciting foreign investments lined up by the Selangor state government include IKEA Supply (Malaysia) Sdn. Bhd., a Swedish company which will build a regional distribution and supply chain centre for the Asia Pacific region in Pulau Indah with a gross development value of RM 1 billion. This centre is the third largest in the world after Chicago and Düsseldorf.

Last month, the Selangor government succeeded in drawing the interest of the Boston-based conglomerate General Electric International via GE Engine Services Malaysia which is involved in Maintenance, Repair & Overhaul (MRO) activities to extend their new investment worth RM 200 million in order to enhance its facilities capabilities for the maintenance of leap engines in Subang. This investment will make the centre into the first ever such facility for leap engine maintenance outside Cincinnati. This will further attract new investments from international airlines to invest in Subang. In addition, Baker Hughes (BHGE), a company owned by General Electric International will build an MRO facility for the maintenance of oil and gas turbines valued at RM 200 million in Klang. This centre will provide services to the Asia Pacific market.

People-centric policies

Besides Selangor’s confidence of its capability and integrity in delivering high-performance based services to support the infrastructure of foreign investments, the Selangor government has been increasingly dedicating financial resources to the democratisation process, which includes empowerment of communities and maintenance of transparency and accountability standards which were not done by the previous federal government administration of Selangor. In 2016, Selangor introduced the Smart Selangor Initiative which will cover 12 domains such as Governance, Waste Management, Digital Infrastructure, Transport and Mobility, Energy, Water, Healthcare, Education, Food and Agriculture, Disaster Management, Building, and Security. According to Selangor Menteri Besar Datuk Seri Mohamed Azmin Ali, whose speech was read by State Education, Human Capital Development, Science, Technology and Innovation committee Chairman Nik Nazmi Nik Ahmad, the blueprint is a road-map towards a more sustainable economic growth for Selangor.

Kasih Ibu Smart Selangor (KISS)

For 30,000 mothers with household incomes of RM 2,000 and below, the State Government introduced Kasih Ibu Smart Selangor (KISS) that empowers mothers to manage the family finances. Each eligible mother will receive RM 2,400 a year, or RM 200 per month where they will be able to purchase basic food supplies and school appliances. This effort under the Smart Selangor Initiatives will be fully funded by the State Government at a cost of RM 72 million. For the first quarter of 2018 itself, the State Government is committed to a funding of RM 18 million.

KASIH IBU SMART SELANGOR (KISS)

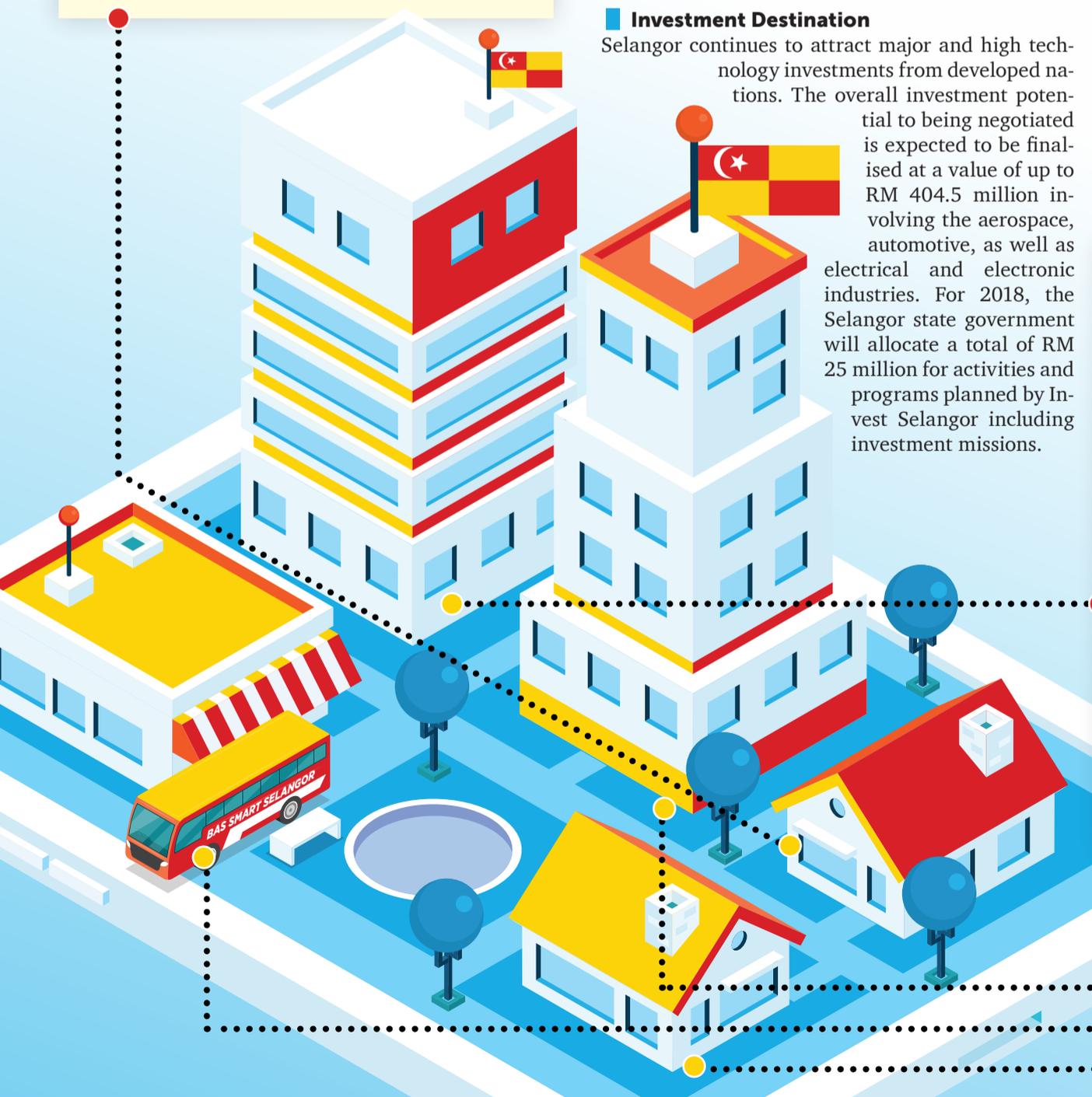
HOUSEHOLD INCOME LESS THAN **RM 2,000** A MONTH



Skim Peduli Sihat (Healthcare Scheme)

The Peduli Sihat Scheme has received overwhelming support from the lower income group who are in need of primary health care. As at 31 October 2017, a total of 149,382 cards have been issued benefitting nearly 600,000 people. Undoubtedly, the Peduli Sihat Scheme is the best health care scheme in Malaysia and available only in the state of Selangor. For 2018, the State Government is committed to further implementation of the Peduli Sihat Scheme with an allocation of RM 20 million and card holders are automatically eligible for free primary health care services.

INTEGRATED HEALTH SCHEME



“This strategic pivot will bring about key transformational outcomes to realise Selangor’s smart state aspirations by 2025 and place Selangor as the premier business, travel and living destination, in Southeast Asia. The blueprint is a living implementation framework which will be reviewed periodically to adapt to fast moving smart city dynamics, technologies, and the evolving needs of citizens, businesses and investors.”

Some of these initiatives include:-

- KISS to empower mothers in Selangor to manage the family finances,
- Skim Peduli Sihat (Healthcare Scheme) for the lower income group who are in need of primary healthcare,
- Rumah Selangorku and Skim Smart Sewa (Smart Leasing Scheme) to gain access to quality, comfortable and affordable housing,
- Bas Smart Selangorku to encourage the use of public transport that is cheap, fast and comfortable and
- IKTISASS for other vocational educational support. It was on the basis of this philosophy that the Selangor government hoped to propel individuals to better themselves through the equipping of knowledge, training and skills development to enhance their capabilities.

A New Hope

It has been 10 years since the federal opposition pact took control of the Selangor government and shaped the lives of the people of Selangor through initiatives that helped them better themselves and enhance their capabilities. What matters more is that these initiatives contributed to the growth of the Selangor economy when most other states in Malaysia have fared much worse.

Yet there is something that seems unassailable, and it goes a long way toward explaining the steady rise in the federal opposition’s pact approval ratings as Malaysians prepare for the upcoming general elections. Despite the initial inexperience, the federal opposition pact has led the way in Selangor by giving a full measure of scandal-free service, a rarity in modern Malaysian politics. As was true at the beginning, it remains true to the end: what the federal opposition pact contributed as the Selangor government contributed from 2008 to 2018 mattered at least as much as the aspirations they reflected of ordinary Malaysians. And from start to finish, for the last 10 years, the Selangor government has lived up to these aspirations by remaining transparent and accountable.

Selangor Government Timeline: Achievements and Milestones 2008-2018

2018

- Selangor state government will allocate a total of RM 25 million for activities and programs planned by Invest Selangor including investment missions.
- IKEA Supply (Malaysia) Sdn. Bhd., a Swedish company which will build a regional distribution and supply chain centre for the Asia Pacific region in Pulau Indah with a gross development value of RM 1 billion.
- Selangor government succeeded in drawing the interest of the Boston-based conglomerate General Electric International via GE Engine Services Malaysia which is involved in Maintenance, Repair & Overhaul (MRO) activities to extend their new investment worth RM 200 million in order to enhance its facilities capabilities for the maintenance of leap engines in Subang.
- Baker Hughes (BHGE), a company owned by General Electric International will build an MRO facility for the maintenance of oil and gas turbines valued at RM 200 million in Klang.

2017

Services sector contributed 59.7% of the state GDP while the manufacturing sector contributed 28.8%.

2016

- Selangor’s GDP rose to RM 251.6 billion making up 22.7% of the national GDP.
- Selangor introduced the Smart Selangor Initiative which will cover 12 domains such as Governance, Waste Management, Digital Infrastructure, Transport and Mobility, Energy, Water, Healthcare, Education, Food and Agriculture, Disaster Management, Building, and Security.

2015

Selangor’s GDP stands at RM 240 billion making up 22.6%.

2009 - 2017

Selangor reserves continue to increase at a steady rate from RM 600 million in 2009 to RM 3.24 billion in 2017.

2007 - 1999

Selangor state reserves declined by 22.6% from RM 1.79 billion to RM 1.38 billion under federal ruling coalition.

2008

Federal Opposition Pact entered Selangor as the ruling government amidst the global financial crisis.

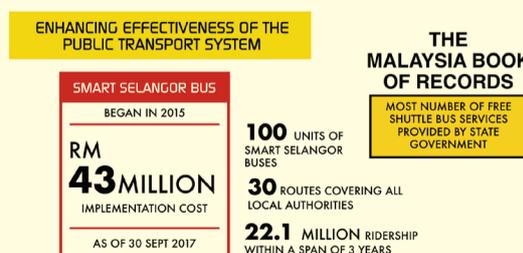
IKTISASS

The State Government will implement a flagship program known as Smart Selangor Technical and Professional Skills Initiative or (IKTISASS) with an allocation of RM 52 million representing 51.1% of the allocation of higher education for the advancement of TVET. Recognizing that Selangor today is moving towards a regional smart state, we need to pay serious attention to the gap between the output of educational institutions - SPM, Diploma and Degree- and the human resource needs of the state and industries that will focus on enabling Selangor youth to be competitive.



Bas Smart Selangor

Up till 30 September 2017, the State Government has allocated RM 43 million to provide for 100 units of Bas Smart Selangor that are operating 30 routes covering Local Authorities and benefiting 22.1 million passengers within a span of 3 years. The Petaling Jaya City Council – Majlis Bandaraya Petaling Jaya (MBPJ) – set aside a fund of RM 18.6 million to provide 22 buses including Electric Buses for 4 routes. On 24 September 2017, The Malaysia Book Of Records awarded the State Government with the “Most Number of Free Shuttle Bus Services Provided by a State Government.”



Rumah Selangorku and Skim Smart Sewa (Smart Leasing Scheme)

The State Government, in collaboration with the private sector, built various types of Rumah Selangorku surpassing the earlier target of 15,000 units. Currently, a total of 1,813 units of Rumah Selangorku have been completed and this number will increase to 3,394 towards the end of the year.

The Smart Leasing Scheme was introduced by the State Government to help the middle-income group lease a house between 2 to 5 years. When the lease expires, 30% of the rental paid will be utilized as down payment for the new home. In 2017, the State Government increased the allocation for this scheme to RM 100 million.



Love Or Hate the Sun

By
Dr Kartini Farah Rahim,
Consultant Dermatologist



On 9 May 2018, we Malaysians will be queueing up at our polling stations, and some of us will have to stand for a while waiting for our turns, others will have to perform their duties under the hot sun. This certainly is a factor one has to take into account in preparation for the day.

During my early school years, I remember clearly walking back home after school under the scorching hot sun, my uniform drenched in sweat, my face sticky and blotchy. The umbrella was too big to carry and my hat did not do a good job in covering my face. During those days no one taught me about sun protection. I hated the extreme heat and blinding nature of the sun.

This dislike lasted until I arrived in Scotland where I began to realize that I had the odd tendency to seek the warmth of the sun, and that people there in general worshipped it. Every summer was a reason to party, and the winter was bleak, I was grateful for Christmas as it was a time to be joyful again though for a short while. My housemate who had seasonal affective disorder put a lightbox next to her during the winter to emulate the sun, this elevated her mood and she slept better.

When I started my dermatology training in 2004, I began to appreciate the sun and its abundance of ultraviolet rays. As a start, vitamin D is produced in our skin when exposed to direct sunlight (mediated by ultraviolet-B) and for years we know that this is important for bone health and preventing rickets. Most dermatology tertiary centres in Malaysia have phototherapy machines to treat a variety of skin conditions like psoriasis, eczema, morphea, vitiligo and a type of skin cancer called mycosis fungoides. These pho-

totherapy machines emit a few spectra of ultraviolet radiation which then causes some immunosuppressive effects in the skin and help clear the lesions. Phototherapy was then my favourite subject which I chose as my research subject for my master's thesis. Recently it was also found that the risk of some autoimmune diseases, cardiovascular diseases and several cancers increases with latitude of residence, possibly due to lack of UVB radiation and deficiency of vitamin D.

Sunlight

For thousands of years sunlight was used to treat a variety of skin conditions, but it was not until 1801 when ultraviolet rays were discovered. As Malaysians are closer to the equator, where ultraviolet levels are higher, vitamin D deficiency is unlikely to occur unless one is housebound, covered up in a burqa or have heavily pigmented skin. Some western countries have fortified their cereals and milk but one can get naturally occurring vitamin D in fatty fish like tuna, salmon and cod liver oil. More recently some studies have shown that oral vitamin D may help those with atopic eczema.

There is literature nowadays proving other significant health benefits of vitamin D and ultraviolet rays, and this convinces me that humans need sunlight to thrive. However, sunlight has harmful effects too.

A few years ago, I returned from a diving trip having a very bad sun-related skin reaction. My back and left shoulder were against the sun and it wasn't until night time when I suffered from severe stinging and blistering. I never would have imagined that I would develop sunburn. Naturally, I have forgotten to re-apply my sunblock after my first dive, and I was taking a type of anti-histamine that made me more photosensitive. The strong ultraviolet

As Malaysians are closer to the equator, where ultraviolet levels are higher, vitamin D deficiency is unlikely to occur unless one is housebound, covered up in a burqa or have heavily pigmented skin

radiation damaged the uppermost part of my skin, causing blisters. There are many medications (including herbal medications) and internal disorders that may cause one to be extra sensitive to the sun. Those that have lupus disease may develop facial rash that looks like a butterfly on their faces when exposed to the sun even just for a few minutes.

The sun may cause inflammation of the outermost of the eye (the cornea), cataract and cancer of the eye, so there is no better excuse to get trendy with your sunglasses. During bright light, our pupils will constrict and our eyelids will squint as a mechanism to minimize the penetration of sunrays into the eyes. However, on a cloudy day, this mechanism is somewhat less effective, and this is when we are exposed to high ultraviolet radiation.

Defy ageing

Many Japanese wear facial masks as a ritual in public to hide their faces from the sun,

and not just to avoid contracting the common flu and preventing inhalation of allergens but also from sun exposure which causes ageing by making the skin coarse, leathery and pigmented. Ultraviolet A from the sun penetrates deep into the skin and causes it to lose elasticity and wrinkling. The sun also causes pigmentation. The skin colour is genetically determined by the amount of melanin in our skin, which is the pigment that protects the skin from ultraviolet radiation damage. The more we are exposed to the sun, the more melanin pigments are produced by the skin as an excellent protective response. This is the reason for applying sunblock or sunscreen as a daily routine, even when one is exposed to artificial light.

Cancer of the skin is rare in Malaysia except for those with light skin and prolonged exposure to the sun. Basal and squamous cell carcinoma which are both found frequently in sun exposed areas like the nose and cheeks, are found more commonly in our setting than the dreaded malignant melanoma. To be on the safe side, any new mole or change in its size, shape, colour or signs of bleeding and itch may suggest that a mole may be cancerous. It should be immediately referred to a specialist.

Ready mind

Here I am ready to fulfil my duty, everything listed in my head. On the day I cast my vote, I will have my identification card and some money in my purse, my large brim hat on my head, my SPF 50, PA ++++ sunblock slapped on my face, my drinking bottle in my small handbag, my dark sunglasses on my face and a long umbrella just in case it gets wet. And all my hopes for a bright future for Malaysians in my heart!

First of a seven-part series of articles excerpted from the book *Voyage to Excellence – Strategic Management in the 21st Century* by Mohd Faiz Abdullah

STRATEGY AND COMPETITIVE ADVANTAGE

By Professor Dr Mohd Faiz Abdullah



Nevertheless, whether it is competitive advantage or creating new markets, strategy entails an action plan that managers devise and implement in order to achieve the organization's goals. To differentiate it from any ordinary plan, strategy is long term. It also warrants the strategic use of resources which, as we know, are limited. That means, strategy entails decision-making in the context of multiple choices. As every choice made has an opportunity cost, making that choice itself is a major exercise in strategy.

Finally, the basic idea of attaining a desired state in the future must be in sync with the overall need to fulfil stakeholders' expectations. Some may say this is a tall order because the term "stakeholders" is just too amorphous to enable strategic decision-making with finality. Who are they? Shareholders are stakeholders but expectations of controlling as compared to minority shareholders may not be the same. Employees, customers, suppliers and sometimes even members of

Strategy may be defined as the long-term direction and scope of business of an organisation or company that enables it to attain a desired state via the employment of resources and harnessing of competences with a plan of implementation designed to fulfil stakeholders' expectations.

That is a mouthful usually given by writers of strategic management textbooks but like it or not is considered a holistic definition. Some authors, like Harvard strategy guru Michael Porter, insist on adding the term "gaining competitive advantage" as the predominant aim of strategy but I would beg to differ in view of the different approaches to the concept of strategic management itself. For example, Blue Ocean Strategy plays down competitive advantage in as much as its main strategic rationale is not about beating the competition but on creating new opportunities and new markets in uncontested waters. Others like the older Six Sigma focus not so much on competition than on total quality enhancement as being key to strategic management.

the public can be stakeholders. In attempting to please all, we may end up pleasing none!

The reality is that decisions cannot be taken in isolation or in a vacuum. As we learn from Newton's Third Law, for every action, there is an equal and opposite reaction. True, strategy is not exactly physical science and the reaction may not be equal and opposite but because decisions taken will elicit the likely or actual behaviour of others, strategy cannot disregard these stakeholder components. The role of strategy here is to find the golden mean in fulfilling their expectations. We will take this up when we consider the areas of ethical management, corporate social responsibility and corporate governance.

Strategy according to Michael Porter

Porter's approach towards defining strategy proceeds first on the basis of what it is not rather than what it is. The fundamental question about strategy is not about being the best but being unique. The worst strategy or "the fatal error" is to compete with rivals on the same dimensions because trying to be the best in the industry will lead to zero-sum competition.

According to Porter, strategy is not about goals and aspirations but rather how to position the company to achieve them. Strategy is not about taking any specific action whether at present or in the future. For example, the oft-repeated phrase "our strategy is to globalise/expand/grow our business" is mere aspiration but not strategy. That is just an expression of the intended course of action to internationalise or expand the market or operations. The logical conclusion from this, therefore, is that strategy is not mission or vision.

Porter goes as far as saying that "competition based on operational effectiveness alone is mutually destructive, leading to wars of attrition that can be



Being different means "deliberately choosing a different set of activities to deliver a unique mix of value."



arrested by only limiting competition." Companies competing solely on operational effectiveness are facing diminishing returns, even declining prices, and pressures on costs that compromise their ability to invest for the long term.

Strategy is the position that a firm seeks to occupy in the market place in order to attain success in its goals. Strategy spells out the unique strengths that the firm has and why it would be able to win. It is concrete, specific and is about the choice or choices to be made to deliver unique value. This is called devising a unique value proposition. To Porter, a value proposition answers three key questions: what customers, what needs are we trying to meet and at what price.

Strategy warrants having a different value chain that must be aligned with the value proposition. Strategy also means having a trade-off. A strategy that tries to please everyone is no strategy at all – you cannot make everyone happy. The mantra about pleasing everyone is not only irrelevant but may be disastrous. There must also be fit or what is now com-

monly referred to as strategic fit which is the linking of all the activities in the value chain.

For example, the way design is done will affect production and the way production is done affects logistics and so on. That is why good strategies are almost impossible to imitate because you cannot take just one part but the whole. Strategy also requires continuity. In a fast-changing world, there is also the misconception that companies need to change all the time. According to Porter, that is only true in terms of operational effectiveness. Change is true in that sense but not change in strategies. Flip flopping in value proposition will get you nowhere. You cannot be low-cost one day and differentiation the next. People will get confused and your suppliers would not know how to respond.

Strategy is performing activities different from those of rivals or performing similar activities in different ways. A company can outperform rivals only if it can establish a difference it can preserve. It must deliver greater value to customers or create comparable value at a lower cost. Being different means "deliberately choosing a different set of activities to deliver a unique mix of value." Strategy is, therefore, the creation of a unique and valuable position, involving a different set of activities.

NEXT: *DEBUNKING PORTER and the holy grail of Competitive Advantage*



Nevertheless, whether it is competitive advantage or creating new markets, strategy entails an action plan that managers devise and implement in order to achieve the organization's goals.



Professor Dr Mohd Faiz Abdullah is the Dean of Selangor Business School. His fifth book, entitled *Islamic State: Between the Idea and the Reality* is set for publication in early 2019.

IKTISASS FOR THE FUTURE

As we approach 2020, it has become important to equip the future generation with the necessary skill set to meet the onset of the Fourth Industrial Age. Technical and Vocational Education and Training (TVET) which emphasises the integration of new information with existing knowledge are the necessary skill sets that will help fill the gap between the output of educational institutions and the human resource needs of states and industries. The emergence of aerospace and biotechnology industries and the growing demand for SMEs in Malaysia will create a paradigm shift where employers will care less and less which university you went to, or even if you went to university.

■ Why IKTISASS

To help its citizens keep abreast with these advancements, the Selangor government initiated a flagship program known as Smart Selangor Technical and Professional Skills Initiative or Inisiatif Kemahiran Teknikal dan Iktisas Smart Selangor (IKTISASS) with an allocation of RM 52 million. Dato' Seri Mohamed Azmin Ali in his speech at the launch of IKTISASS stressed the importance of moving towards a knowledge-based economy. "It is no longer a question about choice but one of utmost necessity. With technological advancement moving at such a rapid pace as we face the Fourth Industrial Revolution, it is no exaggeration to say that to remain static is to move backwards."

IKTISASS aims to provide opportunities for youth to pursue TVET training and to enhance the human resource value chain in the country. In 2018, the Selangor government will fund 2,000 youths from Selangor under the IKTISASS with the support of industry experts like Selangor Human Resource Development Center (SHRDC), Strand Aerospace Malaysia and INPENS to fulfil Selangor's demand for high impact manufacturing.

■ High Impact Manufacturing

The collaboration between IKTISASS and Strand Aerospace Malaysia ensures that Selangor will have the cutting edge in technological advancements to lead the way in the knowledge economy by embarking on Smart Manufacturing Practices. Dato' Seri Mohamed Azmin Ali believes that the TVET skills acquired by these youths under IKTISASS will create a highly skilled labour force which will propel Selangor up the Global Competitive Index.

According to Dr Rahmat Shazi, Director of Strand Aerospace Malaysia, his company's participation in IKTISASS will not only, "Develop and grow the aerospace industry in Selangor but will provide an avenue for national social mobility with Selangor at the forefront where high value industries can be established which will enable Selangor to position itself as an attractive investment destination for IR4.0-enabled businesses." The recent establishment of the Aerospace Council is a testament to Selangor's commitment to be a leading aerospace hub which will encompass parts of Subang Jaya, Sepang and Serendah.

■ Demand Driven Talent

Besides Strand Aerospace Malaysia, IKTISASS has collaborated with SHRDC to move Selangor towards high level TVET through cooperation with industry leaders. Mr Izham Zakaria, Manager at SHRDC, believes that, "Technical training programs which focuses on competencies and career readiness contributes to the development of industry based curriculum, that assists local Selangor companies migrate towards smart manufacturing and adapt the applications of Smart Factories, aligned with the 4th industrial revolution."

With the concept of Demand Driven Talent as the guiding principle, IKTISASS hopes that its collaboration with SHRDC will shake-up the industrial sector through the development of artificial intelligence via Big Data Analytic applications and Cloud Computing.

Dato' Seri Mohamed Azmin Ali is convinced that these developments will put Selangor's industrial sector on par with developed nations such as Europe and Japan. Since 2015, the Youth Enhancement Strategy (YES) Selangor program has yielded a competent generation in technical and vocational fields to meet industry needs. Through IKTISASS programs with SHRDC, YES students were exposed to smart manufacturing systems in cooperation with Swiss Smart Factory in Biel, Switzerland. In the future, SHRDC will explore the possibility of introducing postgraduate programs in technical apprenticeship with Selangor Business School.

■ Technical Skills Program

The Selangor government believes that initiatives to improve TVET through technical apprenticeship programs will create a talent pool of skilled knowledge workers that will attract high technological-based foreign investments to operate in Selangor. To achieve this goal, IKTISASS will assist INPENS in infrastructure and module development with an allocation of RM 4.4 million to produce 900 graduates that will meet industry needs.

Mr Ahmad Zabri bin Mohd Yaman, Chief Executive Officer of INPENS is confident that, "INPENS is able to offer training covering industries within the scope of fundamental and practical skills like automation, air conditioning, electronic and computer systems. IKTISASS's collaboration with INPENS can be seen as an integrated approach involving STEM, creative innovation and R & D that have been identified with potential to expand industries related to e-commerce, aerospace, biotechnology and halal-based industry."

With IKTISASS at the forefront of Selangor's Industrial Revolution, Selangor is poised to become the regional smart state that it has always aspired to be.

IKTISASS's collaboration with INPENS can be seen as an integrated approach involving STEM, creative innovation and R & D that have been identified with potential to expand industries related to e-commerce, aerospace, biotechnology and halal-based industry.

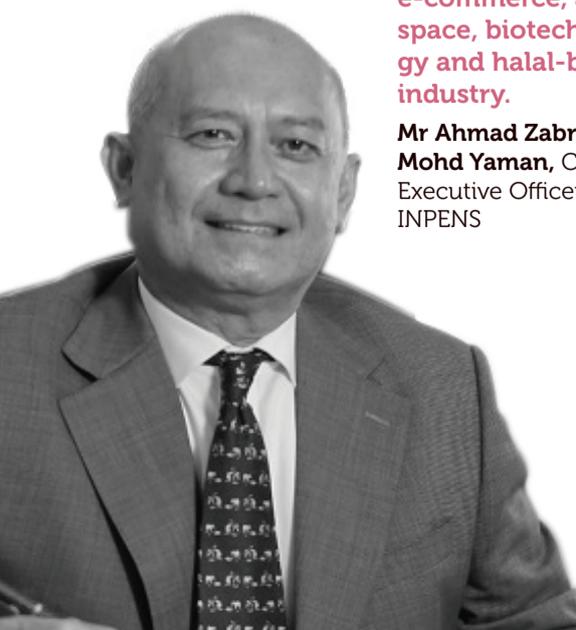
Mr Ahmad Zabri bin Mohd Yaman, Chief Executive Officer of INPENS

Strand Aerospace will help IKTISASS develop and grow the aerospace industry in Selangor but will provide an avenue for national social mobility with Selangor at the forefront where high value industries can be established which will enable Selangor to position itself as an attractive investment destination for IR4.0-enabled businesses.

Dr Rahmat Shazi, Director at Strand Aerospace Malaysia

Technical training programs which focuses on competencies and career readiness contributes to the development of industry based curriculum, that assists local Selangor companies migrate towards smart manufacturing and adapt the applications of Smart Factories, aligned with the 4th industrial revolution.

Mr Izham Zakaria, Manager at SHRDC



All set to vote

How to check your status?
pengundi.spr.gov.my/

Voting is a fundamental right for Malaysians; it is the way for the rakyat to show who is the boss. Once every 5 or so years they get to go to the polls and make a conscientious decision to choose which party or who should lead them. In Malaysia the voters are slowly but steadily becoming more selective and mature, hence in 2008, there was a massive rejection of the Barisan National coalition, this election yielded one of the worst results in its history. Opposition parties won 82 seats in the

222-seat Dewan Rakyat and 47.79% of the vote, while BN only managed to secure the remaining 140 seats and 51.39% of the vote. It marked the first time since the 1969 election that the coalition did not win a two-thirds majority in the Malaysian Parliament required to pass amendments to the Malaysian Constitution. In addition to this, five of the twelve contested state legislatures were won by the opposition, compared with only one in the previous election.

May 9th is the day for Malaysians, what party or how they will vote remains to be seen but it certainly is a fight to watch, the opposition is much stronger standing under one flag to ensure a united front. They have made great sacrifices to the extent of making friends with enemies only because they want to see a better Malaysia free of corruption and divisions.

Voting in Malaysia

on the qualifying date, you are serving jail term or detained as a person of unsound mind; or
 before the qualifying date, you have been convicted or sentenced to death or serving a jail term of more than 12 months and you're still liable on the qualifying date; or
 have a foreign citizenship (Malaysian laws do not permit a Malaysian to have dual citizenship)

One is not eligible to register as a voter in Malaysia



Who cannot vote

found guilty under the Election Offences Act 1954; or

Who can vote



Be a Malaysian citizen
 Be 21 years old and above
 Never been barred/disqualified by any laws in force
 Finally you must be a registered voter.

Only Malaysians who registered as voters before Dec 31, 2017 are eligible to cast their ballots in this general election.

The roll was gazetted on Feb 22 this year and contains the names of voters who registered by Dec 31, 2017.

How many people can vote



14,806,185

A total of 14,806,185 registered voters under the Election Commission (EC) will be eligible for polling during the 14th General Election (GE14)

Who you will be voting for

National level

222

A total of 222 parliamentary seats will be contested in GE14 including 31 seats in Sarawak.

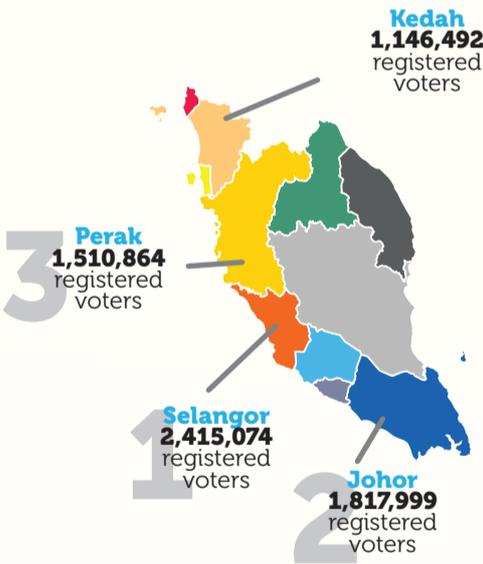
State level

505

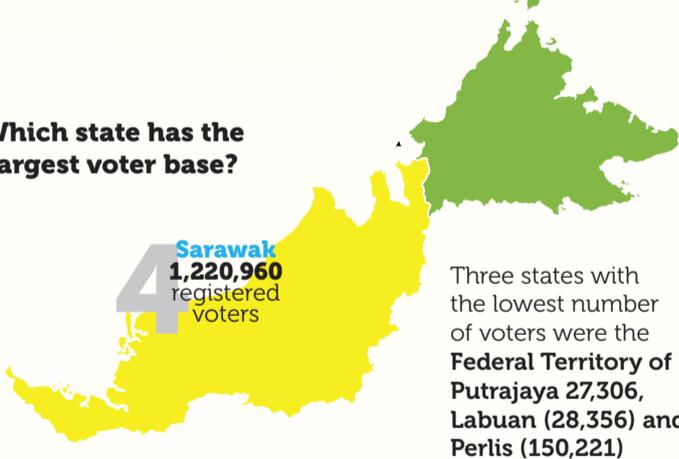
A total of 505 state seats will be contested at state-level throughout the country except Sarawak, which conducted its state elections in 2017.

GE 14 includes

- The use of permanent ink.
- Early voting to replace the postal ballots for the police and military personnel.
- And to allow postal votes for Malaysian living abroad and.
- The media.
- Postal voting is allowed for: Fire and Rescue Department personnel, staff of government clinics and hospitals, Malaysian Maritime Enforcement Agency personnel, Immigration Department staff, members of the Civil Defence Force, National Disaster Management Agency staff, as well as National Registration Department staff based at Urban Transformation Centres.



Which state has the largest voter base?

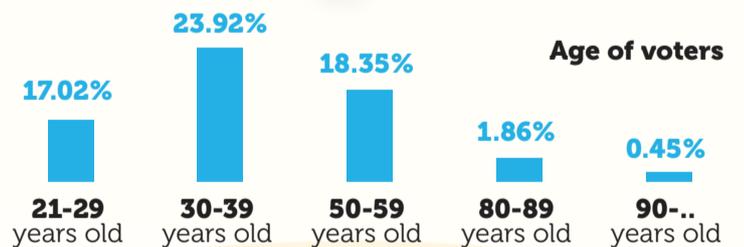


50.58%
7,557,187

Women vs Men



49.42%
7,383,437



Hye you alls. Apa khabar semua? Macik these past few days has been very tired, too excited! Finally after a year or two of waiting for the D-day, the day is coming, a certain 'raya'. I quickly checked if my name was there. I want to have my say.

Nowadays every time I switch on the TV I see a certain face everywhere, he is always talking about good things, this and that for the country. And in the papers oh my so many goodies, if voted we the rakyat will get this and that, like these are presents from them, but

what I don't understand is all these gifts still come from rakyat's pocket? All this manifesto this and manifesto that but the real things no one talks about.

Macik is retired, I have so little money left nowadays, so what I want to know is how will they reduce my cost of living, everything is so expensive. I went to mamak that day to eat and it cost me RM 45. Just two of us. I don't understand this GST thing kononnya grow and share together. But I know it's making things expensive.

Macik not so good at saving, I didn't save since young you know, so I cannot buy expensive ring cost million millions and keep in my house just like my favourite person. She is so good at saving she can do her nice

big hair for RM 1200 and buy lots of jewellery and fancy coats. Me? I cannot because I didn't save since kindergarten ok.

But what I can do is I can vote. And Macik is not happy about how things are going. They need to value Macik more, and walk the talk, not just wear fancy clothes in big cars and make fancy promises during election time. I want to see change!

And my dear young people out there remember each one of your votes count, no nonsense undi rosak all ok. Go out there and have fun on the little 'raya' day. It's a public holiday too!

Don't forget to follow me @MacikPuanSri at Twitter.com and macikpuan at Instagram

Macik Puan Sri



Back to Square One

by Apsara Murale

The world's longest-ruling coalition could be facing a pivotal moment. Malaysia is set to hold a general election on May 9, 2018 setting up a showdown between Prime Minister Datuk Seri Najib Razak and his political opponents.

Prime Minister Datuk Seri Najib Razak heads the ruling coalition that has ruled since independence in 1957. Though his administration has faced street protests and corruption scandals since 2015, he has arguably prevailed over one of the toughest periods in his political career, owing to populist elements in the ruling coalition's manifesto without the substantive economic reforms needed to carry the nation forward.

The ability of the ruling coalition to secure a stronger mandate in the new election—with 222 parliamentary seats at stake—will largely depend on the success of the ruling coalitions' electoral pledges to strengthen the economy.

Feeling the Pinch

The overarching theme in the ruling coalition's manifesto in GE13 and GE14 are similar. Both manifestos aimed to reduce the cost of living and increase per capita income through various housing schemes, higher financial aid via the 1Malaysia People's Aid (BR1M) and an array of freebies for the Federal Land Development Authority (Felda) settlers. While the administration of Prime Minister Datuk Seri Najib Razak regularly boasts of reducing poverty and increasing per capita income, Malaysians are finding it difficult to make ends meet. The ruling coalition which has ruled Southeast Asia's third biggest economy has seen inflation hit an eight-year high with many blaming the 6 per cent goods and services tax (GST) introduced in 2015 for rising prices, and a weaker ringgit for pushing up the costs of imports. Whether it is a perception problem or not, ministers are acknowledging that this is the key concern for GE14.

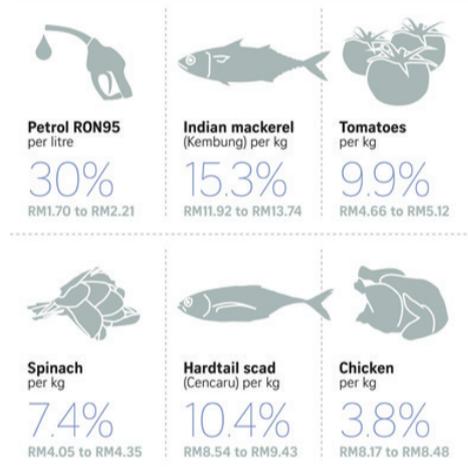
International Trade and Industry Minister Mustapa Mohamed, the longest-serving Cabinet member in Prime Minister Datuk Seri Najib Razak's administration said in a Bloomberg interview recently that the cost of living was the primary concern for voters, "People are worried that the ringgit is not stretching as far as it used to. People remain unhappy about GST," he said.

The ruling coalition insists that GST which is expected to contribute RM 43.8 billion or 18.3% of the estimated government revenue in 2018 has helped provide a wider safety net for the lower and middle-income groups through var-

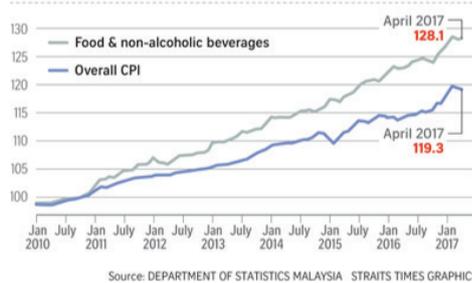
ious schemes to help reduce the cost of living. Last year, Prime Minister Datuk Seri Najib Razak boasted that the Economist Intelligence Unit (EIU) ranked Malaysia's cost of living as the lowest in Southeast Asia. "We have done a lot of work to ease the people's burden related to the rising cost of living," said the Prime Minister, listing efforts such as price control, assistance for housing and Felda settlers and, of course, the cash aid scheme 1Malaysia People's Aid or BR1M.

Price surge in everyday items

Period: April 2016 to April 2017



Consumer Price Index



Source: DEPARTMENT OF STATISTICS MALAYSIA STRAITS TIMES GRAPHICS

Beleaguered Ringgit

Since 2012, the Bantuan Rakyat 1 Malaysia (BR1M) scheme was introduced by Prime Minister Datuk Seri Najib Razak as an initiative to provide financial assistance to low income groups (a combined monthly income below RM 4000 for households) in Malaysia. In the ruling coalition's GE13 manifesto, the ruling coalition promised to gradually increase BR1M payouts to an amount of RM 1200 per household or RM 600 for individuals. In 2017, the payout for BR1M reached a maximum of RM1,200 for households and RM450 for individuals. In the GE14 manifesto, existing BR1M recipients are to receive RM2,000 worth of aid this year. To date, almost RM 19 billion of BR1M has been disbursed.

However, the ruling coalition has failed to consider that the other half of the cost of living equation is income. Per capita annual income has dropped from

US\$10,345 since Prime Minister Datuk Seri Najib Razak's narrow 2013 election victory to US\$8,821 last year - a sharp 15 per cent slide putting an end to most of Malaysia's middle class aspirations of owning foreign cars and detached houses. Further, the ringgit lost a third of its value against the greenback from 2013 to last year, and is down by 23 per cent against the Singapore dollar in the past four years. A toxic combination of factors has been cited, including sliding oil prices - a key Malaysian export - and a corruption scandal linked to Prime Minister Datuk Seri Najib Razak.

Despite the ruling coalition's pledge to combat corruption in the run-up to GE13, the ruling coalition's reluctance to resolve major corruption scandals such as 1MDB for GE14 has affected the Malaysian ringgit and investor confidence. The embattled investment company's troubles contributed to the ringgit's biggest annual drop since 1997 last year driving away international companies seeking to set up shop in Malaysia that have long considered corruption to be a business risk. PricewaterhouseCoopers' Global Economic Crime Survey 2016 saw 30 per cent of respondents saying they faced corruption issues in Malaysia, up from 19 per cent the previous year. While these factors paint a gloomy picture of Malaysia's economy, the government is unlikely to come down hard on corruption scandals involving 1MDB because it affects the political future of its premier in the run up to the upcoming elections.

Back to Square One

According to Malaysia's top pollster, Merdeka Centre, Malaysia's economy will continue to be foremost on the minds of 74 per cent of voters. Inflation will also be relevant for six out of 10 Malaysians, and for more than three-quarters of Muslims, who make up two-thirds of the electorate. As the elections draw near, it seems there is not much for electorates to expect with regards to the ruling coalition's manifesto in GE14 in terms of substantive economic reforms. "The biggest factor is the worsening economy, which includes rising cost of living, and dwindling opportunities and employment. But as election day draws near, the poor will be showered with goodies, and will be counted on to deliver for BN," S. Rajaratnam School of International Studies senior fellow Oh Ei Sun told The Straits Times. Before we are counted on to deliver our votes in the coming elections, we should ask ourselves the very question that Ronald Reagan asked during the debate against President Jimmy Carter on October 28, 1980: Are we better off than we were four years ago.

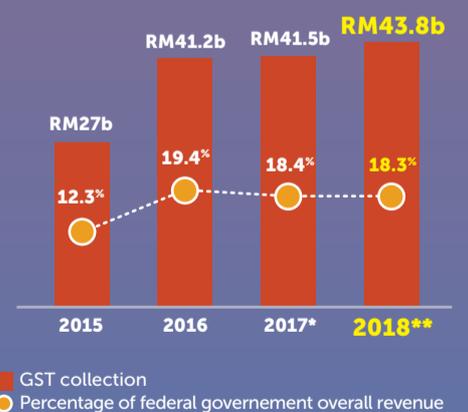
GST

The Goods and Services Tax (GST) is one of the most complex tax systems in the world according to the World Bank, and one that requires "Substantial human resources and technology to accurately capture the information," says Senthuran Elalingam, Deloitte Malaysia's financial services indirect tax-leader for Asia Pacific. To make matters worse, the structure put in place for payments for Malaysia's GST is extremely burdensome, requiring payments twelve times a year rather than the international norm of quarterly increasing the tax burden on ordinary citizens despite the exemptions and zero-rated items. The penalties are harsh for failure to comply, including multiple high fines for each payment period and jail time. These many points of engagement with enforcement increase the potential for corruption rather than encourage revenue generation and public cooperation.

The GST was introduced at a time when the ruling coalition was tainted by several expensive and high profile corruption scandals which negatively affected the country's credibility and revenue position. Concerns have also been raised about public debt. The current ruling coalition has spent and borrowed the most money to shore up political support. While there is a genuine need for more government revenue, public confidence on how it will be spent is low. According to government estimates, the GST made up 16.1% and 19.5% of government revenue between 2015 to 2018.



MALAYSIA'S GOODS AND SERVICES TAX (GST) ANNUAL COLLECTION (2015-2018)



■ GST collection
● Percentage of federal government overall revenue

While government revenue increases, the perception of government and governance are changing. Increasing taxes in Malaysia historically served to provoke rebellion in 1895 in Pahang, 1915 in Kelantan, 1929 in Terengganu and so on. Time will tell whether GST will have a similar response, but the reality is that the GST has become the main policy issue of the ruling coalition's tenure.

Selangor: Gateway to ASEAN



Selangor aims to position itself as the gateway to ASEAN, and will be doubling its efforts to make the state the future commerce centre in the region. Currently, ASEAN is enjoying robust economic growth compared to other parts of the world. With the recent conclusion of the SEA Games in Malaysia, it has imbued ASEAN with a sense of pride and optimism of even better things to come.

Centre of Commerce

This optimism was what motivated Invest Selangor Bhd CEO Datuk Hasan Azhari Idris to organise The Selangor International Business Summit 2018. He told The Malaysian Reserve, “I personally hope we can achieve at least RM250 million of transactions from the exhibitors,” Hasan Azhari told reporters at the soft launch of this year’s summit in Kuala Lumpur. With a targeted transaction value of RM250mil, SIBS 2018 is

aiming at a total of 1,000 participating booths and expecting up to 25,000 visitors, compared to 22,000 visitors and RM204.2mil in transaction value last year. The 10-day multiple platform Selangor business summit from September 6-16 2018, will feature three main events – Selangor International Expo 2018 (fourth edition) from Sept 6 to 9; Selangor-ASEAN Business Conference 2018 (second edition) from Sept 6 to 7; and the Selangor Smart City and Digital Economy Convention 2018 from Sept 13 to 15. Since its debut last year, the summit had attracted some 20,000 exhibitors from over 15 different countries and taken on a wider regional appeal.

Speaking to reporters, Selangor senior executive councillor Dato’ Teng Chang Kim said “With a track record of contributing to 22.7% of Malaysia’s GDP in 2016, Selangor has prevailed not only for its economic prosperity and diversity, but also for its resilience as a state. While recognising the arsenals

that each ASEAN country has to offer, we are honoured to be able to position Selangor as the gateway of facilitating trade and growth across the region.”

Impressive growth

Despite the global economic slowdown due to a decrease demand of oil, Selangor continues to accelerate in economic and financial growth with minimal impact from the drop in oil prices due to its sturdy policies and long-term planning strategies. In 2016, Selangor attracted 242 approved manufacturing projects, of which 57% were from the five core clusters that have been identified to steer the state’s growth, led by the machinery and equipment cluster with a 16% share of projects. This was followed by F&B manufacturing (12%), transport equipment (12%), life sciences (10%) and E&E (7%). In 2017, Selangor successfully attracted 202 approved manufacturing projects with total direct investments worth RM5.59bil, of which

RM3.43bil was from domestic direct investments while RM2.16bil was from foreign direct investments. This shows that Selangor leads the way in the number of approved manufacturing projects, providing increasing employment opportunities while contributing to the nation’s economic progress.

As a result, Selangor state senior executive councillor Dato’ Teng Chang Kim said Selangor is looking at leveraging on its strengths in manufacturing and services to appeal to the ASEAN market. “The summit hosts a rich network of trade industry players globally and acts as a solid trading platform for these businesses to connect and do business within the ASEAN network — all in one place.”

With Selangor’s geographical location, sound logistics and technological infrastructure as well as economic fundamentals, Selangor is ready to be an entry point for more regional trade and commerce activities.

ENVIRONMENT

Conservation Efforts Win Big

In September 2017, the Queen’s Commonwealth Canopy (QCC) accredited and approved the nomination of the Raja Musa Forest Reserve as a conservation site for future generations.

The North Selangor Peat Swamp Forest (NSPSF) is located in the north western part of Selangor and it covers an area of 73,392 hectares. It consists of Raja Musa Forest Reserve (RMFR) and Sungai Karang Forest Reserve with an area of 23,486 hectares and 50,106 hectares respectively.

Although the RMFR was gazetted in 1990, the area has been intensively logged since the 1950s with very little control and supervision resulting in frequent forest fires and encroachment of illegal squatters.

When the current Selangor state government took over the reigns of the state in 2008, they collaborated on a commu-

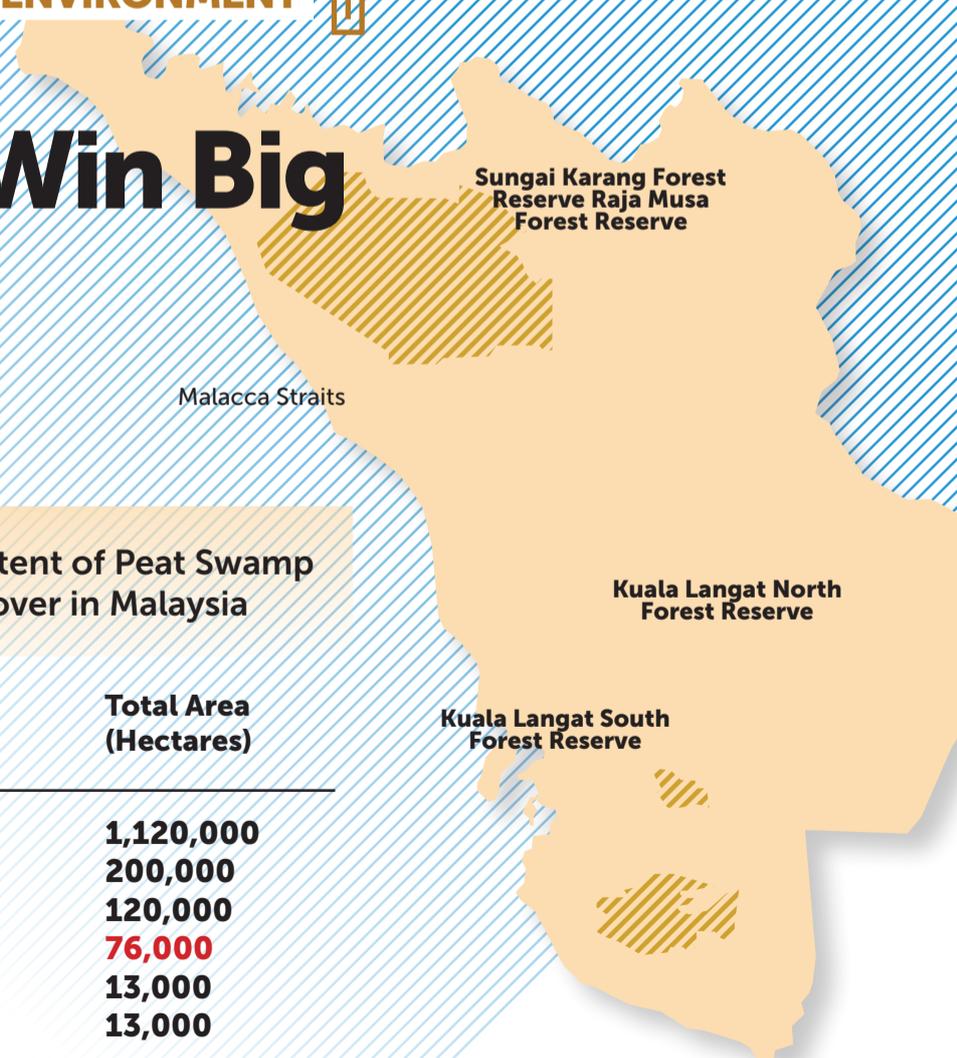
nity-based initiative with the Global Environment Centre and the State Forestry Department to rehabilitate more than 1,000 hectares of degraded forest within and adjacent to the Raja Musa Forest Reserve through community participation as well as protecting remaining untouched areas.

The project plan included a range of key milestones including fire prevention, restoration of the natural water table, encouragement of natural regeneration as well as replanting severely degraded areas. The program engaged local communities and volunteers in carrying out the seedling production, enrichment planting, post planting treatment and monitoring of threats.

The QCC presents Selangor a rare opportunity to work with the Commonwealth in conserving our indigenous forests for future generations.

Estimated Extent of Peat Swamp Forest Cover in Malaysia

State	Total Area (Hectares)
Sarawak	1,120,000
Pahang	200,000
Sabah	120,000
Selangor	76,000
Terengganu	13,000
Johor	13,000
Total	1,542,000



THE PROVINCE OF SHARI'AH DETERMINED

Fundamental Rethink of the Shari'ah

Review by **Ameena Siddiqi**

By **Faiz Abdullah**
403 pages.
The Other Press.

In his absorbing book, *The Province of Shari'ah Determined*, Dr Mohd Faiz Abdullah breaks new ground on the discourse of the Shari'ah by inviting the reader to cast aside previous conceptions of the subject and embark on a fundamental rethink. Faiz contends that while Islam – as a religion – is in no need of reform, the Muslim world and its ummah, are in dire need of multi-dimensional reform and renewal, nothing less than a paradigm change. To support this thesis, the author first examines the key concepts of Shari'ah, fiqh and madhhab (school of jurisprudence) tracing their origins and evolution and deconstructs the common notion that the Shari'ah is doctrinaire, legalistic and one-dimensional.

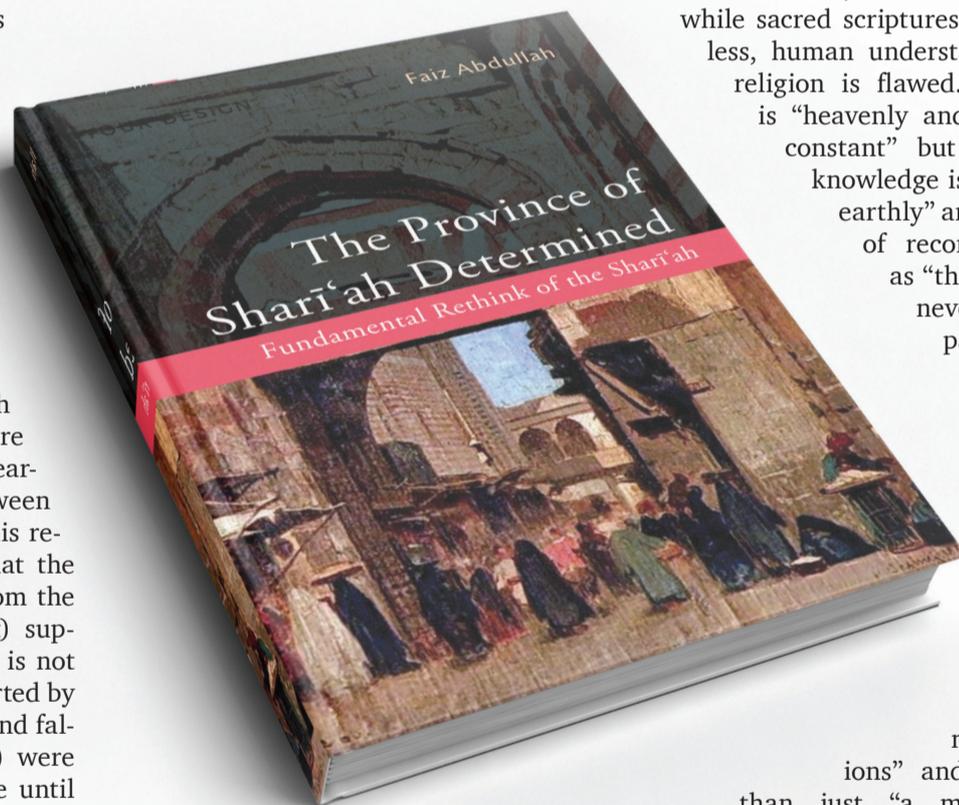
Terms that are used more frequently than are understood such as *ijtihad*, *taqlid* and *ikhtilaf* are thoroughly explained giving a clearer picture of the distinction between divine law and juristic law. In this regard, Faiz takes the position that the juristic law (*fiqh*) that results from the exercise of *aql* (reason/intellect) supports the view that the Shari'ah is not immutable. This is further supported by the fact that historically, *kalam* and *falsafah* (theology and philosophy) were an integral part of the discourse until the intervention of dogmatic and conservative theologians and jurists who considered the study of these subjects as tending to heresy and disbelief.

The author also embarks on a novel discussion of the so-called separation between church and state comparing the traditional concept as understood in the western world with that of the Muslim world. In throwing light on the concept of secularism, Faiz debunks the notion that calling for such a separation is indicative of an anti-religionist position and maintains that the failure to grasp this is partly contributing to the general misunderstanding about Islam and the concept of the Islamic state.

As regards the much-touted doctrine of the *maqasid al-Shari'ah* (the higher objectives of the Shari'ah), the author calls for a rethink in keeping with changing times, contending that the categories need not be limited to the usual five as advanced by the likes of al-Ghazali and al-Shatibi.

To my mind, Faiz also boldly revisits the Shari'ah sources, giving a fresh perspective on the

Faiz contends that many of those who call for the implementation of Shari'ah law often fail to make a convincing case for it other than citing chapter and verse and tolerating no alternative interpretations. Doctrinal arguments based on the Qur'an and the Sunnah do not support a legalistic conception of the Shari'ah. What is needed is a reformulation of legal theory that is pragmatic and progressive. Citing various scholars, Faiz contends that while sacred scriptures are flawless, human understanding of religion is flawed. Religion is "heavenly and remains constant" but religious knowledge is "human, earthly" and in need of reconstruction as "the Shari'ah never sits parallel to



classical sources of Shari'ah law and in doing so, persuasively argues that Shari'ah law is inherently dynamic and not cast in stone – no pun intended! The author makes an impassioned call for a holistic rethinking of the Shari'ah from the prism of "the divine imperatives by which believers are enjoined to establish a just legal system so that they 'stand out firmly for justice, as witnesses to Allah' and when they judge between mankind they must judge justly..." In other words, Shari'ah without justice is not Islamic.

human opinions" and is more than just "a magnificent totality of rules and penalties." Faiz warns that "as long as the Shari'ah is forced on a society without proper rule of law, where the standards of governance are below par and where the socio-economic conditions are such that would naturally prevent the permeation of a generous and loving spirit" the upshot will be catastrophic and completely at odds with the higher objectives. What is needed is an approach that "opens up vistas for the ummah to chart its course for the future, to be guided by *hikmah* (wisdom)" and to explore "the vast ocean of possibilities that the Shari'ah has in store."