

PERSPECTIVE

RESEARCHERS AT ISEAS-YUSOF ISHAK INSTITUTE ANALYSE CURRENT EVENTS

Singapore | 11 May 2017

Malaysia's *Transformasi Nasional 2050* Brings Bold New Style, but to What End?

*Lee Hwok Aun**

EXECUTIVE SUMMARY

- Malaysia is formulating *Transformasi Nasional 2050* (TN50), the country's next long-term development programme. In contrast to past practices, the government promises a "bottom up" process of wide engagement for Malaysians, especially young adults, to express their aspirations and ideas for the future, leading up to 2050. Above all, TN50 commits to producing a roadmap of detailed, concrete targets.
- TN50 introduces a bold new style to policy making, but can it live up to its promises? That depends considerably on the viability of setting long-term specific targets through public engagement, the information distilled from the various forums, and the range of voices included.
- The programme may encounter difficulty drawing on extensive public inputs and at the same time deriving concrete targets. The complexity of quantitative benchmarks, coupled with uncertainties over a three-decade time frame, will likely incline TN50 to claim popular endorsement of targets proposed by leadership, rather than fulfilling its self-described bottom-up model.
- The value and impact of public engagement depends on whether TN50 merely compiles aspirations, or informs the values, priorities of Malaysians and policy choices facing the nation.
- TN50 seeks completeness and national representation, which implies diversity of views, even dissent. The practice so far suggests a predisposition for favourable opinions, and tendencies for TN50 to be a popularity-boosting platform for the ruling regime.

* *Lee Hwok Aun is Senior Fellow at ISEAS – Yusof Ishak Institute.*

INTRODUCTION

Malaysia's *Transformasi Nasional 2050* (TN50), a long-term development blueprint announced by Prime Minister Najib Razak in his 2017 Budget speech, is ushering in a bold new mode of policy making¹. An endeavour to compile people's ideas and aspirations for the nation leading up to 2050 kicked off in January 2017 with dialogue sessions on public university campuses. Surveys, expert consultations, and more roadshows are scheduled in the coming months, culminating in a grand plan to be delivered at year's end, outlining national aspirations, milestones and concrete targets heading toward 2050².

Political leaders are also prominently involved, actively rallying support for the ruling coalition while engaging with audiences at TN50 events. With the 14th General Elections looming, TN50 evidently plays a role in enhancing the ruling coalition's popularity, especially among young voters.

TN50 undeniably brings a new approach and style to policy making, but can it deliver on its promise of a detailed transformation plan that represents the "voice of the people"³? Is this a suitable objective, given the mode of engagement and the resources mustered for this experiment?

While the final policy document is some distance away, TN50 is as much about the process as the product. Three aspects warrant consideration. First, TN50 strives to distinguish itself in two unprecedented ways, by soliciting extensive public input and, more emphatically, setting specific targets over a thirty-year horizon. The project may find difficulty achieving both meaningfully. A national endeavour to compile peoples' aspirations and ideas can stake some claim to operating in a "bottom up" manner, but it is unclear how well the method can produce specific national targets. The exercise holds out the potential for casting new transformation visions, but if hard targets become the priority, it may end up engineering popular endorsement of received agendas and settling for prosaic goals such as Gross Domestic Product (GDP) levels.

Second, TN50 is well under way in compiling popular aspirations, but the project's originality and value also derives – arguably, to a greater degree – from a synthesis of the nation's values, priorities and choices, and how it negotiates conflicts and tensions. A more thorough articulation of the people's voice in a complex society goes beyond cataloguing aspirations, to balancing contending interests and weighing policy trade-offs and sacrifices. It is unclear at this point whether TN50 will engage in this more arduous, less prestigious work.

Third, TN50 seeks completeness and national representation, but the extent these are achieved depends on the incorporation of diverse, dissenting – even discomforting – views.

¹ The author thanks Cassey Lee and Christopher Choong for helpful comments on a previous draft, but implicates none of them for the contents of this article.

² Information is available at TN50's website, operated through its secretariat at the Ministry of Youth and Sports: www.mytn50.com.

³ "TN50 insulated from political interference, says Khairy", *New Straits Times*, 23 March 2017

(<http://www.nst.com.my/news/2017/03/223666/tn50-insulated-political-interference-says-khairy>).

Indications so far, however, point to a selectiveness of viewpoints favourable to the ruling regime and its popularity.

LOFTY ASPIRATIONS VERSUS SOLID TARGETS

The Malaysian government has conceived TN50 in the lineage of the New Economic Policy (NEP) (1971-1990) and Vision 2020 (1991-2020), as a grand plan to carry Malaysia all the way to 2050. These long-term plans and vision statements can be considered the closest correlates with TN50, despite considerable differences. The National Development Plan (1991-2000) and National Vision Plan (2001-2010) officially succeeded the NEP and were also crafted by the Economic Planning Unit, but never gained popular traction. The NEP, incorporated into the Second Malaysia Plan (1971-1975), presented a sober analysis of Malaysia's situation and a comprehensive plan that largely refrained from target-setting. Vision 2020, encapsulated in then-Prime Minister Mahathir Mohamad's 1991 speech to the Malaysian Business Council, captured the public imagination with an array of inspirational challenges.

In contrast to the technocratic authorship of the NEP and lofty ambitions of Vision 2020, TN50 promises a "bottom up" process. Public policy making in recent years has incorporated more public consultation, but TN50 still stands out with two distinctive features: widespread public engagement with youth (aged 18-40) to compile aspirations and ideas, and solid long-term targets and milestones. Najib has delegated the role of chief coordinator and ambassador to Khairy Jamaluddin, Malaysia's charismatic Youth and Sports Minister, with an official secretariat under Khairy's watch. Since TN50's launch in January 2017, a series of gatherings have commenced on public university campuses, in "town hall meeting" fashion, at which leading politicians take the stage to deliver speeches and interact with the audience. Throughout 2017, TN50 has programmed more of such events alongside online feedback platforms, to be followed by surveys and consultation with focus groups and experts, data analysis, and the delivery of a "Final Document".

In international perspective, it is instructive to note the experiences of other countries, particularly Singapore, that have held similar future-looking public engagement. Singapore's *National Conversation* took place in the wake of the 2011 general elections in which the PAP retained power but registered its lowest ever share of the popular vote (60%). Subsequently, the government initiated a framework for dialogues, surveys and channels for public inputs. *Perspectives arising from our Singapore Conversation*, a significant product out of this process, painted broad-stroked images of what citizens value and expect of the nation in 2030⁴.

In contrast, TN50 precedes general elections, and applies the contemporary policy trend of setting and tracking key performance indicators (KPIs). The KPI model – explicitly or implicitly – underpins Malaysia's short and medium term transformation plans (2-5 years)⁵,

⁴ Information and documents are available at <https://www.reach.gov.sg/read/our-sg-conversation>.

⁵ The Government Transformation Plan and Economic Transformation Plan mainstreamed the practice of KPIs in public policy, alongside increased outsourcing of policymaking to private consultancies – which can be observed in TN50 as well. Malaysia's five-year Malaysia Plans have

or focused reforms like the Education Blueprint (2013-2025)⁶. Extending this template to a 30-year comprehensive transformation roadmap is certainly bold and unprecedented – but is it wise and effective? Najib and Khairy clearly desire to differentiate TN50 from Vision 2020, which did not specify milestones and benchmarks⁷. However, this quest for distinction, probably amplified by political rivalry with Dr Mahathir, may elevate concrete goals at the expense of vibrant dialogue, and eventually amount to a public endorsement of predetermined priorities, or a generic approval stamp for public expenditures⁸.

Soliciting detailed targets on a nationwide “bottom up” basis – with categories, indicators and schedules to be determined – is basically difficult, if at all possible. Specific and binding commitments practically require sector-specific projections and analyses, which the TN50 machinery does not have the means to perform.

Unsurprisingly, we already witness steering from the top, and gravitation to familiar and rather prosaic benchmarks of success. At TN50’s launch, Najib pronounced that Malaysia would reach for a “world top 20” position, while opening up for suggestions on the category of this accomplishment. But he subsequently hinted that Malaysia can well achieve a top 20 spot in terms of Gross Domestic Product (GDP) – in gross, not per capita terms, and after adjusting for purchasing power parity⁹. Malaysia’s chief goal for 2020 is to surpass the high-income country threshold, based on Gross National Income per capita. After expansive “bottom up” engagements, will the apex of 2030 national aspirations fall back on GDP, as it has in past “top down” policies?

Consensus on development targets can be engineered by proposing manifestly agreeable goals, such as high-income or World Cup qualification, to seemingly unanimous assent. But in some ways this devalues public engagement and diminishes the benefits of a project of TN50’s scope, precluding more substantial representations of the values and priorities, and policy choices, in Malaysians’ minds. Contrary to the exalted role of concrete targets in TN50, the broad public engagement under its wings might yield better material for anchoring and guiding policies, while leaving the quantitative specifics for future determination.

steadily reported less and less data, while comprising more and more of target-setting and self-monitoring. Malaysia Plan documents are available at <http://www.epu.gov.my/en/development-plans/previous-plans>.

⁶ Ministry of Education (2013) *Malaysia Education Blueprint, 2013-2030*. Putrajaya: Ministry of Education (downloadable at <http://www.padu.edu.my/blueprint>).

⁷ Najib said in parliament on 7 March 2017: “This is a continuation [of Vision 2020], but what’s different is we want to have a national strategy, there is execution of plans and monitoring” (<http://www.themalaymailonline.com/malaysia/article/tn50-continuation-of-wawasan-2020-policy-pm-says#sthash.EbzGyQO3.dpuf>)

⁸ The Finance Ministry has already indicated that funding will be allocated in 2018 for TN50 projects. (“Budget 2018 to lay foundation for TN50, Treasury sec-gen says”, *TheMalayMailOnline*, 12 April 2017, <http://www.themalaymailonline.com/malaysia/article/budget-2018-to-lay-foundation-for-tn50-treasury-sec-gen-says#sthash.x7FVvQls.dpuf>).

⁹ Najib Razak’s speech to the 2017 Global Transformation Forum (<http://www.nst.com.my/news/2017/03/223260/full-text-speech-pm-najib-razak-2017-global-transformation-forum>).

Setting targets also poses perils, due to the uncertainties of a three-decade horizon such as TN50's. National and global conditions change, possibly rendering benchmarks obsolete or hampering the country's ability to reach the goals. The weak ringgit in recent years may delay Malaysia's prospective graduation to high income status, based on GNI per capita in US dollars, beyond the targeted year of 2020. Fixating on targets can deflect focus away from fundamental economic matters, which require sustained efforts for the very long haul.

Scorekeeping can also interfere with policy execution when there is risk of falling short, because, unlike the fixed targets, the data for computing scores can be altered. Malaysia has firmly committed to improving its ranking in standardized international tests. In the Performance in School Assessment (PISA) of 2015, Malaysia's recorded an exceedingly low response rate, rendering the overall results unrepresentative and unreliable. The 51% response rate failed to meet the required 85%, raising the spectre that there were efforts to positively skew the average score (Malaysia recorded 99-100% response rates in preceding PISA rounds). Concerns are heightened by the continuing inability of the government to provide an explanation¹⁰. It is uncertain whether TN50 will safeguard against such debacles.

Values, priorities and choices

The emphasis on firm targets notwithstanding, aspirations remain the starting point for formulating TN50. However, beyond generalities, a comprehensive national transformation will inevitably counter tensions, even conflicts, among aspirations. How well TN50 contributes to this process depends on the extent to which it goes beyond cataloguing aspirations, toward synthesizing values and priorities, and outlining choices for Malaysia.

Few will dispute the principles of inclusive and sustainable development, but these terms can translate into different sets of priorities. For some, a core aspiration of inclusiveness equates with dismantling pro-Bumiputera affirmative action, but for others, the very same programmes may be viewed as instruments that preserve inclusion. On education, TN50's most recurrent theme, policy discourses may make a more useful contribution by enquiring how receptive Malaysians are to dissent, and how appreciative of diversity of opinion, rather than reiterating the established view that the nation needs an education system that cultivates critically minded and competitive youth. Beyond the readily agreeable ideal of socio-political stability, at least two main positions can be contrasted. For some Malaysians, stability entails regime maintenance, but for others it is institutional strength that matters – fair elections, independent courts, media freedom, effective and accountable administration. TN50 presents an opportunity to seek nationwide perspectives on these important matters.

Perhaps these will be addressed in surveys that the TN50 secretariat has scheduled for later this year. At this point, however, it is difficult to tell whether TN50 will invest in the less

¹⁰ The 51% weighted response rate is based on an initial sample of schools, adhering to PISA guidelines. Malaysia replaced about half of the initial sample. The Ministry of Education has yet to explain this low response rate, despite initial weighted response rates of over 99% in previous PISA cycles, and despite promising in December 2016 to release a report explaining this issue ("Report being prepared to explain Pisa disqualification", *The Star*, 16 December 2016, <http://www.thestar.com.my/news/nation/2016/12/16/report-being-prepared-to-explain-pisa-disqualification/>). The author thanks Hwa Yue-Yi for her insights.

formulaic and more sobering effort of discerning majority and minority interests and harmonizing conflicting aspirations.

DIVERSITY OF VOICES?

Key strengths of an exercise like TN50 are the resources mobilized and views collated. Its claim for a people's mandate and its scope for transformation therefore correspond with the range of voices heard. The room for diversity and difference, and freedom to expressing dissenting or discomforting views, surface as vital elements.

The prospect of an open canvas for ordinary people to project their aspirations and ideas is timely and appropriate, and appears to be well received. The practice of high-profile leaders going to the ground and engaging with young audiences, declaration that the era of "government knows best" is over, the utilization of social media to connect people and provide platforms for interaction – these practices tap into the zeitgeist. TN50 is well under way toward generating "feel good factors", one of the "key result areas" for 2017¹¹.

Undoubtedly, a government will want to make transformative policy in a positive, even celebratory, spirit. TN50 evokes optimism and positive feelings, but will it accept forward-looking ideas arising out of dissatisfaction with the status quo? A stirring launch video at mytn50.com invites contributions, provided they are "constructive and productive", which usually means opinion punctuated with praise.

Expectedly, as a programme under the Barisan Nasional administration, TN50 invests far more in its flagship economic and social policies, while treading softly on political reforms and institutional change. Dialogue sessions have been prefaced with reminders of the government's achievements and public expenditures, particularly in infrastructure, welfare payments, and steady economic growth. Under the banner of governance, the focus falls on efficient, responsive administration, while the problems of stagnating real wages, corruption, the justice system, civil liberties and fairness of elections, seem displaced to the margins.

CONCLUDING THOUGHTS

Malaysia's *Transformasi Nasional 2050* promises two momentous differences to past long-term national programmes: listening to the people's aspirations and ideas, particularly young adults, in a "bottom up" manner, and formulating quantified goals and milestones. Its novelty, energy and ambition are clear, but can it live up to its promise? Does it make effective use of this opportunity and the resources availed?

Heading into the second quarter of 2017, the capacity of TN50 to both capture voices on the ground and set specific targets remains unclear. How will TN50 formulate concrete targets through nationwide canvassing of opinion?

¹¹ "Three Key Result Areas Set For 2017 Towards Achieving TN50", *Bernama*, 23 February 2017 (<http://www.bernama.com/bernama/v8/ge/newsgeneral.php?id=1331988>).

What can be observed so far bears more resemblance to a top-down process of popular endorsement of government proposals than a bottom-up flow of ideas. Additionally, the uncertainties of a thirty-year horizon may induce generic, unremarkable target setting, and incur the risk of data fudging to meet the mark.

This initiative to collate ideas and aspirations is timely and potentially fruitful, although such information stands to yield more benefit if takes the form of values and priorities that substantively guide policy choices, limits and trade-offs. TN50, with public resources at its disposal and public engagement as its process, can richly and incisively inform a new Malaysian vision, and guide and steer policies while leaving specifics to programmes with short and medium horizons.

It remains to be seen whether Malaysia will articulate transformation across the full range of aspirations, issues and challenges, in the economic and social spheres but also on justice, democracy and integrity which are relatively reticent in TN50's discourses so far. The accompanying aim to generate feel-good factors, the prominence of political leadership and indications of partisanship, raise questions over the project as an instrument of electoral outreach.

<p>ISEAS Perspective is published electronically by:</p> <p>ISEAS - Yusof Ishak Institute 30 Heng Mui Keng Terrace Singapore 119614</p> <p>Main Tel: (65) 6778 0955 Main Fax: (65) 6778 1735</p>	<p>ISEAS - Yusof Ishak Institute accepts no responsibility for facts presented and views expressed. Responsibility rests exclusively with the individual author or authors. No part of this publication may be reproduced in any form without permission.</p> <p>Comments are welcome and may be sent to the author(s).</p> <p>© Copyright is held by the author or authors of each article.</p>	<p>Editorial Chairman: Tan Chin Tiong</p> <p>Managing Editor: Ooi Kee Beng</p> <p>Editors: Lee Poh Onn and Benjamin Loh</p> <p>Assistant Editors: Vandana Prakash Nair, and Veena Nair</p>
---	--	--