



CLOSING ADDRESS

**YAB DATO' SERI ANWAR BIN IBRAHIM
PRIME MINISTER**

IN CONJUNCTION

KHAZANAH MEGATRENDS FORUM (KMF) 2023

3 OKTOBER 2023 (TUESDAY)

MANDARIN ORIENTAL HOTEL, KUALA LUMPUR

Assalamualaikum dan Salam Sejahtera,

1. *Alhamdulillah kita mengatur setinggi kesyukuran ke hadrat Allah SWT kerana dapat bersama-sama pada petang ini menyelenggarakan Khazanah Mega Trends Forum 2023.*
2. *Saya mengalu-alukan kehadiran YAM Tunku Ali Redhauddin ibni Tuanku Muhriz, Tan Sri Mohammed Azlan Hashim, Datuk Amirul Feisal Wan Zahir, dan semua tetamu yang kalau ikut protokol banyak lagi yang perlu dibaca tetapi oleh kerana sudah diumumkan sebelum ini, saya akan terus dengan menyatakan penghargaan dan pandangan kepada rakan-rakan yang saya muliakan.*

Board Members of Khazanah Nasional Berhad, ladies and gentlemen,

3. Well, you have listened to experts, projections, challenges and of course, Mega Trends; an impressive term and I must confess that I have not been given adequate summary of what transpired for the last two days, sessions that you had from this morning. Unlike most politicians who have claimed to have been briefed, I have not been briefed today. But let me give you a different

perspective.

4. Last few days, I have attended or visited the exhibition on Post Normal Times. I hope it has some bearing to what issues that we have to deliberate upon; where we are dealing with the situation unprecedented, what is the termed as facing and having to deal with issues of chaos and contradictions. What Ban Ki-moon referred to; the issue of spontaneity, the turbulence and the issues faced by the global community has somewhat been unprecedented, is chaotic and it is simultaneous.
5. You talk about migration, civil wars, climate crisis, COVID-19 or now even post COVID-19, the aftermath and ramifications due to the Ukraine-Russian war, of course is unprecedented. The best brains, the best minds were not able to anticipate the gravity, the chaos, the contradictions and the simultaneous challenges happening all at the same time.
6. It requires, of course, humility in the part of the elites, who at times feel so certain about what they can anticipate for the future. It requires us to reflect and understand that what we can plan ahead, but the future is some in the realm of the unknown. So there is of course relevance for

sessions and conversations such as this; talking about mega trends, what you can anticipate to the best of our ability and having to reflect, analyze and assess on a daily basis.

7. With that I am just reflecting the challenges that I have to face and the government today. Of course, when this is more complex in that sense, we inherit RM 1.5 trillion debt, we are facing a deficit 5.6% which have to be dealt with. This is not normal. This is enough to see that we are living in the Post Normal Times, but as it has abated by this sort of to say callousness or poor governance that have led us to this state of affairs. That is why I have consistently called upon leaders, political professionals, those in the GLICs, goverment public servants to focus on the central issue of governance. Because with all the resources that we have, if we do manage the economy well and plan ahead and have the resolve, the tenacity to deal with these problems, with the clarity of policies, I'm rather more optimistic of the outcome for the future.

8. You see, I am ignoring my text because after listening to the synopsis. I do not want to be deem completely irrelevant. So my central thesis in this government is number one; to acknowledge that we have encountered

these difficulties due to poor governance and endemic corruption. If we do accept that, then we should be able to have this greater sense of confidence to forge ahead, number one, with clarity of policies. We have the MADANI economy, we have the energy transition followed by the New Industrial Master Plan, and even in our midterm review the 12th Malaysia Plan, we have departed from the traditional way or manner of reviewing plans, but to make shifts and adjustments considering the challenges that we face at present. So clarity of policies is important to generate confidence.

9. I think before you talk about foreign investors or even domestic investors, you need to have confidence in the general because there is a trust deficit among not only political leaders, but elites in general. Policies that have been carved out to benefit the elites, the expense of the majority of our population. So this shift in governance and the attitude to me is critical.
10. I have always accepted the notion that the resistance to change is not necessarily by the poor, uneducated masses. Resistance to change often times is from the elites. I used to know, either through abuse of power and position or corruption or just standard practice, to what we

consider as the necessary changes, either policy shift or paradigm shift. Even for those among the elites who have been helping on the issue of paradigm shift has not actually moved according to what Thomas Kuhn referred to as paradigm shift. What did happen is some adjustments, minor adjustments, IT is an example, should I say, more sophisticated manner of practice in terms of management both in government and in the private sector.

11. But what we mean by paradigm shift is probably to acknowledge the limitations of the past and take a new course, policies and ways of doing things that is critical to move up society. It is the same like Joseph Schumpeter's in Gales of Creative Destruction. You have to accept that the center cannot hold, things fall apart – W.B. Yeats. But things fall apart because of some fundamental flaws in the system and therefore there must be a preparedness to shift, formulate new policies and to part from the past man of doing things. That is why you talk about 'Gales of Creative Destruction' from the past flaws.

12. That is why I think in our MADANI philosophy, we are prepared, we have focus on the issue of the need to challenge Malaysians generally to accept some start of new realities. The race card, religious bigotry that has been part of the national narratives for decades, has to end and whilst we are proud, and I am too feel proud as a Malay in my culture, my civilization and as a practicing Muslim, beliefs strongly in the ideals and what Islam has to contribute to International Society, but it cannot be a blinkered view of ignoring the importance of the role of other races and other religions in this country.

13. There is no way or no two way about it, there is no compromise in so far as ensuring that this country for the future has to deal with policies that will deal with fundamental issues and problems in the society. Poverty regardless of race, the vast majority are the Malays. We have to recognize this fact which means all this talk about a new economic policy, the focus on the so-called Malay survival, whilst has improved in terms of social mobility, undeniably, so through education opportunities but has miserably fail miserably because it has been used and abused to benefit a small quota of individuals linked to the political elites and this must end.

14. So the new policy, for example, has to be courageous enough to state the fact that we have to deal with the problem of poverty, which means all the new policy directions cannot continue, was ignoring this basic fact that you cannot allow Malaysia to succeed and continue to grow, robust growth yes we need, but it cannot allow for tolerance of abject poverty, of gross inequality and naturally majority of the Malaysia would benefit. But you cannot ignore the pockets of the poor among the indigenous tribe in Sabah and Sarawak, Chinese in the urban areas or more so the Indians.

15. I have said this publicly, I think probably the first Malay leader that had the courage to say in Parliament that the majority of the poor are Malays, but the poorest of the poor in Peninsular are the ethnic Indians. It is better that we deal with the situation frankly, openly and transparently in order to be able and persuade the masses to understand why there must be a genuine policy shift from what I consider is obsolete policies to be focus entirely on the issue of race.

16. Having said that, if we want government, for example, to make that shift, the private sector including the non-Malays must also acknowledge this fact and shift radically from this race notion because the race trend or the race card is not necessarily from those in the political arena among the Malays but also from the ethnic non-Malays.

17. I have been appealing to them to showcase that while there is this shift in government policy, there must be also a shift among our friends and colleagues, among the non-Malays to be trusted by the majority of the Malays that there is no longer siege mentality or feeling of insecurity because of the tendency to ignore the plight of the poor, most are among the Malays. That isn't so far as the race religious card is concerned.

18. But in terms of economic policies, I've said that we are living in the probably in very competitive world. People ask me, but even in New York recently, I'm thank you all this Khazanah, Bursa and SC and all and the rest have been very, very supportive, organize excellent programs. And we can see the sense of enthusiasm from US industries and earlier from China. But we make it very clear that in order to forge ahead, we must make all the necessary measures. How do you call it? Incentives I always make.

I'm a bit cynical this term. I used to say, particularly when I was in the opposition, that when you help the poor, you call it subsidy. When you have the issue call it incentive. Actually, it means about the same thing. So I think you'd be mindful of that. But we do require this sort of support to encourage more investments into this country.

19. I'm grateful and thankful to the colleagues here. We worked incredibly hard to convince investors and in the last few months you have seen this phenomenal increase in growth in interest. Infineon, for example, the largest single investment outside Germany will be Malaysia €5 billion. Geely coming very soon. Although they made some commitments earlier Tilly Proton, but they have now decided and had the approval to proceed with the 10 billion ringgit expansion of the automobile city in Tanjung Malim. And of course, you have AWS, you have Elon Musk and a number of new investments from China.
20. Tomorrow night I'll be leaving for Abu Dhabi for a day. They think I'm about 35 years old. I can travel to Abu Dhabi and come back the following day. And the next few days you will hear, Insyah-Allah, very great news from UAE in terms of their decision to focus on Malaysia and make Malaysia as the hub for major Arab investment in the

region.

21. Now this is precisely because of clarity of policies. No, I say clarity of policies and concern for some of the issues including the environment, gender, participation, elevating the plight of the poor. All the issues must be seen, acted upon by all parties in this country.

22. Now, the only problem we have to grapple with the issue of ease of doing business. We have been struggling to make sure that the bureaucratic encumbrances must end. We will have MIDA coordinated by MITI, but we still have problems. The state government and the local councils now understanding what have been said, there is still that problem we have to grapple with and the Cabinet has consistently discussed and acted upon this. And it's interesting that in tomorrow's Cabinet for the first time I've asked a report on the status of select say 5-6 companies and to see when was the application approval. In principle, the umpteen departments they have got to go through for approvals, the time taken, the reason given and the final approval because no amount of assurance would satisfy investors until we are able to effectively act upon their concerns, reasonable concerns.

23. Of course, we're not going to compromise on the individual, but issue of environmental impact, we're not to going to compromise on our stated policies. But there is no reason to continue doing business despite all the talk about economic policies and MADANI and transparency and what have you and still having to wait two years for EIA approval, six months for other approvals.
24. So you continue to talk about Megatrends, I support that. I want to share with you some of the concerns here because as I said, now understanding what I have said in this actually discussion, not a speech. I would suggest that you also take into consideration the issues at hand and the uncertainties that we have to face, including the issues, which I have alluded to earlier in the beginning of my speech on chaos, contradiction. And also the problem how to grapple with all the issues coming all at the same time, this simultaneity, we should just say it simultaneous. But you know, intellectuals have this pension for difficult words to impress the public. So we used simultaneity from the word simultaneous.

25. So thank you very much colleagues in Khazanah in particular. And I've decided frankly, I mean, we have worked on the text but I thought the what I'm going to say is completely out of sync with the summary. I hold you responsible for ignoring my texts.

26. So again, terima kasih banyak kepada Khazanah Megatrends 2023.