

ISIS FOCUS



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INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES (ISIS) MALAYSIA
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ABOUT ISIS MALAYSIA

The Institute of Strategic and International Studies (ISIS) Malaysia was established on 8 April 1983, in realization of a decision made by the Malaysian Government to set up an autonomous, not-for-profit research organization, to act as the nation's think-tank. ISIS Malaysia was envisioned to contribute towards sound public policy formulation and discourse.

The research mandate of ISIS therefore spans a wide area. It includes economics, foreign policy, strategic studies, nation building, social policy, technology, innovation and the environment.

ISIS Malaysia today fosters dialogue and promotes the exchange of views and opinions at both national and international levels. It undertakes research in collaboration with national and international organizations, in important areas such as national development and international affairs.

ISIS Malaysia also engages actively in Track Two diplomacy, fostering high-level dialogues at national, bilateral and regional levels, through discussions with influential policymakers and thought leaders.

RESEARCH

Economics

Research in this area is generally aimed at promoting rapid and sustained economic growth and equitable development in the nation. We study specific (rather than generic) issues that concern the nation's competitiveness, productivity, growth and income. Areas of research include macroeconomic policy, trade and investment, banking and finance, industrial and infrastructure development and human capital and labour market development. The objective of all our research is to develop actionable policies and to spur institutional change.

Foreign Policy and Security Studies

The primary aim of this programme is to provide relevant policy analyses on matters pertaining to Malaysia's strategic interests as well as regional and international issues, with a focus on the Asia-Pacific Region. These include security studies, foreign policy, Southeast Asian politics and military affairs.

Social policy

Demographic and socio-cultural trends are changing Malaysian society and the social policy programme was established to respond to these developments. Research in this area is concerned with effective nation building, and fostering greater national unity. In particular, we look at issues involving the youth, women and underprivileged communities. In conducting its research, ISIS Malaysia networks with non-governmental organizations and civil society groups.

Technology, Innovation, Environment & Sustainability (TIES)

The TIES programme provides strategic foresight, collaborative research and policy advice to the public sector, businesses and policy audiences, on technology, innovation, environment and sustainable development. Its focus includes green growth as well as energy, water and food security. Towards this end, TIES has been active in organizing dialogues, forums, policy briefs and consultancies.

HIGHLIGHTS

ISIS Malaysia has, among others, researched and provided concrete policy recommendations for:

- Greater empowerment and revitalization of a national investment promotion agency;
- A strategic plan of action to capitalize on the rapid growth and development of a vibrant Southeast Asian emerging economy;
- A Master Plan to move the Malaysian economy towards knowledge-based sources of output growth;
- The conceptualization of a national vision statement;
- Effective management and right-sizing of the public sector; and
- Strengthening of ASEAN institutions and co-operation processes.

ISIS Malaysia has organized the highly regarded Asia-Pacific Roundtable, an annual conference of high-level security policymakers, implementers and thinkers, since 1986.

INTERNATIONAL NETWORKING

As a member of the Track Two community, ISIS Malaysia participates in the following networks:

- ASEAN-ISIS network of policy research institutes;
- Council for Security and Cooperation in Asia and the Pacific (CSCAP);
- Network of East Asian Think Tanks (NEAT); and
- Pacific Economic Cooperation Council (PECC).

It is also a partner institute of the World Economic Forum (WEF).

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APEC: Outcomes of 2011 and Outlook for 2012

Ambassador Muhammad Noor Yacob, Executive Director, Apec Secretariat, Singapore spoke on the above topic at an ISIS International Affairs Forum held on 18th January 2012, at Kuala Lumpur. The forum was chaired by **Dato' Dr Mahani Zainal Abidin**, Chief Executive ISIS Malaysia. ISIS Senior Analyst **Dr Jorah Ramlan** reports.

The Apec Leaders' meeting, held in Hawaii in November 2011, and themed 'The Future Redefined,' addressed the future of the world as a result of dramatic regional and global developments in technology, politics and the natural world.

At a time of global economic uncertainty, growth has weakened in many economies, particularly in Europe and the US. But there are signs that the US economy is improving, with the latest figures showing that employment is growing. Nevertheless, significant risks remain, including those stemming from the Eurozone crisis. Closer to home, a series of natural disasters had impacts on the supply chain of certain industries, particularly in Japan and Thailand, but these nations are recovering.

As the best way forward, Apec Leaders reinforced their commitment to closer cooperation and building consensus. They firmly resolved to work together to further break down barriers to free trade and investment, recognizing that this was critical to job creation and greater economic prosperity for all of our economies.

Outcomes of Apec Summit 2011

Apart from the Apec Leaders' meeting, chaired by President Obama, the Apec Trade and Foreign Ministers' meetings were held to discuss Apec's goals, targets and policy directions, while Finance Ministers gathered and pledged to take coordinated action to strengthen global recovery, reinforce financial sector stability, and maintain open markets.



Muhammad Noor Yacob

At this meeting, Apec Leaders issued a declaration titled, 'Towards a Seamless Regional Economy,' which pledged to take concrete steps in three priority areas, all of which are geared towards generating growth, and creating new jobs through free trade and investment.

The first priority was **strengthening regional economic integration**. Apec Leaders agreed in 2010 to take concrete steps towards achieving a Free Trade Area of the Asia-Pacific (FTAAP) in a comprehensive, region-wide agreement. This could be developed by building on existing architecture such as the Trans-Pacific Partnership and Asean Plus, among others.

Apec has therefore been making important and meaningful contributions to achieving a FTAAP by defining, shaping and addressing the 'next generation' of trade and investment issues. These issues include fostering the participation of small and medium-sized enterprises (SMEs) in global production chains. SMEs account for up to 90 per cent of all businesses in some economies and employ as many as 60 per cent of the workforce. Increasing their participation in global markets is therefore vital.

Another 'next generation' issue involves fostering innovation, which will increase productivity and enhance economic growth. Leaders further agreed to advance a set of policies to promote effective, non-discriminatory and market-driven innovation.

Other actions include taking steps to:

- Establish commercially useful *de minimis* values in economies that will exempt low-value express and postal shipments from customs duties, and streamline entry documentation requirements.
- Implement Apec's New Strategy for Structural Reform plans by 2015 in order to reduce behind-the-border barriers to trade and promote balanced, inclusive and sustainable growth. Apec has been focusing on reforms that promote open, transparent and competitive markets; better functioning and effectively regulated financial markets; labour market opportunities; sustainable SME development; and effective and fiscally sustainable social safety net programmes.
- Launch the Apec Travel Facilitation Initiative to explore ways to make travel in the region faster, easier and more secure.

The second priority, ***promoting green growth***, saw the leaders agreeing to the reduction in applied tariff rates on environmental goods to five per cent or less by 2015, taking into account

Lowering tariffs on green goods will increase their availability and use at lower prices regionally...

economic circumstances. Members will work to develop a list of environmental goods that would be subject to those tariff cuts by the end of 2012.

Current estimates suggest that tens of trillions of dollars of investment will be required to meeting the goals of clean energy, clean air, sanitation and other environmental goals in the coming years. Lowering tariffs on green goods will increase their availability and use at lower prices regionally, thus also supporting green industries and jobs and promoting sustainable growth.

Steps to be taken to promote green growth include:

- To phase out inefficient fossil-fuel subsidies which encourage wasteful consumption. A voluntary reporting mechanism will be set up to review progress on reform in this area, on an annual basis;
- To reduce Apec's energy intensity by 45 per cent by 2035, across the region. This target was reached after analysis showed Apec will far exceed the previous target set by Leaders in 2007, of at least 25 per cent reduction by 2030.
- To promote energy efficiency by taking specific steps related to areas such as transport, buildings and power grids. The first-ever joint Transportation and Energy Ministerial meeting was held in September 2011 in San Francisco, where Apec Ministers agreed on initiatives to make transportation in the region cleaner and more energy-efficient.

- To enhance knowledge-sharing and education in support of energy-smart, low-carbon communities. This is being implemented through numerous Apec projects, including workshops on smart grid deployment and renewable energy sources; and
- To implement measures to prohibit trade in illegally-harvested forest products, and undertake additional activities to combat illegal logging and associated trade.

The third priority is ***advancing regulatory convergence and cooperation***. Leaders made a commitment to take specific steps by 2013 to implement Good Regulatory Practices in their economies. These include ensuring internal coordination of regulatory work, assessing regulatory impacts, and conducting public consultations.

Apec economies also declared their commitment to establishing a Regulatory Cooperation Action Plan to help advance cooperation regionally to improve the efficiency and effectiveness of regulations, build public trust in regulations, and improve consumer confidence in products. The action plan will guide Apec's activities to advance regulatory cooperation by ensuring that these efforts promote better alignment with international standards and conformance systems, and engage key stakeholders.

In addition to the above priorities, it was agreed that good governance would be Apec's continuing priority. US Secretary of State Hillary Clinton hosted a high-level policy dialogue on open governance at which Ministers released a joint statement emphasizing as Apec's priority, good

governance, the fight against corruption, and the encouraging of ethical business practices.

Finally, the issue of reducing disaster risk and strengthening resilience was identified as a priority area. In the wake of the Japan earthquake and tsunami, and other recent natural disasters in the region, a second high-level policy dialogue was held on reducing disaster risk and strengthening resilience. Ministers at that meeting called on officials to work to improve disaster resilience by providing businesses with tools that would help them to be better prepared, assisting with the movement of goods and services during disasters, and supporting research and education on this subject.

Outlook for Apec Summit 2012

Russia took over the stewardship of Apec from the United States in 2012 and set out the priorities for the year ahead, following an informal meeting of Apec Senior Officials in St Petersburg in December 2011. Four priority areas have been identified as follows: liberalizing trade and investment and expanding regional economic integration; strengthening food security; strengthening supply chains; and cooperating to foster innovative growth.

First, ***liberalizing trade and investment and expanding regional economic integration***, builds on the important work undertaken in 2011. Apec will continue to address 'next generation' trade issues in future free trade agreements and seek new ways to align technical standards and regulations across the region, making it easier, cheaper and faster for businesses to trade across borders. This is expected to move the economies closer towards the long-term goal of a Free Trade Area of the Asia-Pacific (FTAAP).

Second, ***strengthening food security***, is a crucial issue for this region as it is vulnerable to food security risks and is frequently exposed to natural disasters. Apec is focusing on raising the quality and safety of food, including enhancing

...Apec's priority, good governance, the fight against corruption, and the encouraging of ethical business practices

conformity to food safety standards. In a forum in Montana in May 2011, economies committed to work together to strengthen their food safety systems and harmonize their domestic and international food safety standards. One method of achieving this objective is through supporting sustainable development of the agricultural sector. This includes implementing projects across the region to promote transparency of food markets, such as monitoring and exchanging information on supply, demand and production of food. In addition, it involves implementing projects that reduce the costs and losses of producing food, and getting these goods to the market. Apec and the World Bank signed an MOU last year agreeing to work together to carry out capacity-building projects across the region to promote food safety and supply.

Third, ***strengthening supply chains***, is critical in today's globalized world. Goods are no longer made in one economy but rather produced by sourcing components from all over the region and indeed the world. Therefore, strengthening the region's supply chain will reduce the time, cost and uncertainty of moving goods and services throughout the region. The goal, by 2015, is a 10 per cent improvement by addressing eight priority chokepoints. These chokepoints relate to regulatory impediments, customs inefficiencies and inadequate transport networks and infrastructure. Particular attention is given to operational safety and the protection of transportation facilities, which involves conducting capacity-building activities on emergency preparedness and disaster relief.

Fourth, ***cooperating to foster innovative growth***, is a priority continuum of the 2011 declaration. Leaders stressed the need for policies that further foster competition, promote access to technology and encourage development of innovation. One area of interest is fostering cooperation across the region on major innovation projects, and networking among businesses, academia and government institutions, while another area is addressing barriers to investment in high-technology sectors.

Apec uses a pathfinder approach that allows members who are ready, to introduce reforms, and for others to join the initiative when circumstances permit

Commitments versus the Apec Principles

Apec has no binding treaty to ensure that commitments are met. Instead, Apec operates on the basis of open dialogue and consensus. This non-combative environment allows new ideas to be tested, and mutual understanding and closer collaboration to develop between members and other stakeholders, including business and academia. This non-binding nature is a particularly valuable tool, given the social and economic diversity of Apec's 21 members. Apec uses a pathfinder approach that allows members who are ready, to introduce reforms, and for others to join the initiative when circumstances permit.

Although Apec does not impose rules on its members, it does set targets, including numerical ones. It then assesses the work done in achieving these targets to ensure the achievement of its goals. In 1994, Leaders set a clear target for Apec by agreeing on the Bogor Goals of free and open trade and investment in the Asia-Pacific region. Leaders set two broad timetables of 2010 for developed economies and 2020 for developing ones. Members' progress on these goals is monitored annually through a peer review mechanism.

In 2010, an assessment of the progress towards the Bogor Goals was carried out by Apec's Policy Support (PSU) using data from member countries as well as those from the World Bank and other international bodies. The assessment showed significant progress in breaking down barriers to trade at, across, and behind the border. The use of third-party data ensured the scientific vigour of the assessment.

Economic and Technical (ECOTECH) Agenda

To help achieve its goals, Apec builds the capacity of its member economies, particularly developing ones, through economic and technical cooperation. Projects are implemented around the region on everything from standards and conformance issues to micro-finance and customs procedures. These projects help transfer skills, knowledge and best practices, between officials, encourage reform, and turn Apec strategies into concrete action.

Over 1600 projects have been undertaken since 1993 when Apec's capacity-building work started. More than 150 projects are implemented at any one time. During the last financial year, Apec committed more than US\$14 million to this important work. While this figure may seem relatively small compared to other development institutions, it is important to remember that Apec is focused on soft infrastructure, like improving trade policy and structural reform measures, rather than hard infrastructure projects which are the focus of the international development agencies such as the World Bank and the ADB. Developing member countries regard Apec's ECOTECH agenda as critical for them.

Apec's Achievements

Apec has achieved significant and tangible results since its inception. Looking at average tariffs in the region, one will find that they have fallen from 17 per cent in 1989 to 5.8 per cent in 2010. This translates to substantial savings for consumers and reduced costs for manufacturers who use imported components in their supply chain.

Non-tariff barriers have also been substantially reduced across Apec economies. Most of these are WTO-consistent measures. This progress on advancing free trade has created a much greater level of regional economic integration than would otherwise be expected. An almost six-fold increase in merchandise trade among Apec members was

recorded between 1989 and 2010 — from US\$1.7 trillion to US\$9.9 trillion, respectively. This accounts for 67 per cent of Apec's total merchandise trade.

Apec's work on free trade has contributed to real and concrete benefits for people living across the Asia-Pacific region. Over a span of ten years, that is, from 1999 to 2009, the GDP of Apec economies grew by 29.2 per cent and employment by 10.8 per cent, while poverty was reduced by 35 per cent (poverty levels are measured by calculating the percentage of the population living on less than US\$2 a day).

Turning to Apec's work on streamlining the flow of trade or trade facilitation, Apec reached its target of reducing trade transaction costs by five per cent across the region, between 2007 and 2010, following a successful rollout of its Trade Facilitation Action Plan 2 or TFAP2. This reduction is in addition to an initial five per cent drop achieved between 2002 and 2006, under the first action plan. The latest reduction represents for businesses total savings of US\$58.7 billion.

As part of TFAP2, Apec has been carrying out projects around the region to encourage economies to undertake reforms and improvements to streamline trade in four priority areas: (1) customs procedures; (2) standards and conformance; (3) business mobility; (4) and electronic commerce.

...from 1999 to 2009, the GDP of Apec economies grew by 29.2 per cent and employment by 10.8 per cent, while poverty was reduced by 35 per cent...

Conclusion

Apec attempts to push ahead with its mission to further integrate all member economies and liberalize trade and investment, recognizing that both are critical to job creation and economic growth. While Apec's priorities are adapted on a year to year basis, its core commitment towards regional economic integration measures behind and across the border, remains. Through close cooperation and hard work, Apec strives to increase prosperity and improve the well-being of everyone in the Asia-Pacific region.

While 2011 was a year of economic difficulty for the EU and the US, it was also a year when natural disasters caused widespread devastation in countries such as Japan, New Zealand, and Thailand. Challenges and risks are expected to remain in many parts of the world in 2012. The US economy appears to be gaining momentum with positive latest figures indicating growing employment in the manufacturing sector. Economists argue that the Asia-Pacific will continue to lead global economic recovery and that the outlook for this year is cause for optimism. The Asian Development Bank is of the opinion that the region will be shielded from the worst of the global economic slowdown due to strong trade between regional neighbours and rising domestic consumption among the new middle classes.

The diversity of Apec member countries suggests the need to introduce several approaches in addressing economic issues. The tariff reduction initiative for trade facilitation may be appropriate for developed economies but it is always viewed with caution by developing economies. The target date of year 2020 for developing economies to achieve Apec's goal of free and open trade and investment in the Asia-Pacific region appears to be too ambitious, especially when several regional organizations in the Asia Pacific such as Asean, are struggling to meet their own economic goals in 2015.

Apec needs to review its priority areas in order to secure serious commitments from member economies. While the ideal is good governance, many economies did not flourish based on idealism. Southeast Asian economies have grown by leaps and bounds over the last three decades and it is obvious that good governance has had minimal or no part at all in this achievement. This is not unique to Southeast Asian countries but is a natural progression in the phases of economic development of most economies. Priority areas need to be pragmatic and specific to member economies. It is foolish to commit members to good governance or other priority areas for idealistic purposes.



Participants at the forum

PAV-ing the Way to a High Income Economy*

By Mazlena Mazlan
Researcher, ISIS Malaysia

One important part of the vocational education transformation plan that was launched by the Deputy Prime Minister, Tan Sri Muhyiddin Yassin, recently is the Basic Vocational Education program (BVE), or *Pendidikan Asas Vokasional (PAV)*. Beginning with a pilot run this year, BVE will gradually replace the vocational subjects that have been taught in regular secondary schools since 2003.

BVE is a step in the right direction in achieving a 50 per cent skilled workforce by 2020. But will it be able to increase student enrolment in technical and vocational education and training (TVET)? The target enrolment for BVE under the transformation plan is five per cent.

Targetting of student enrolment in TVET has been carried out by the government previously. A Cabinet Committee Report in 1979 aimed for TVET enrolment of at least 50 per cent at the upper secondary level while the current target is 20 per cent by 2020. Malaysia's current enrolment rate of eight per cent at secondary level and 18 per cent at upper secondary level can be compared to the 44 per cent average enrolment in OECD countries.

The most obvious difference between vocational subjects and BVE is that BVE, taken at the lower secondary level, leads to a Malaysian Skills Certificate (MSC) at levels 1 and 2. Vocational



Vocational training

subjects, taken at the upper secondary level, do not lead to any certification. BVE students can continue to the upper secondary level in vocational colleges – the other important part of the transformation programme – to earn the Malaysian Skills Diploma. This option, of course, is also open to non-BVE students.

The BVE enables students to enter the workforce with a recognized certificate when they finish their lower secondary level. With MSC levels 1 and 2 preparing trainees for occupations at the production and operation level, that is, it prepares students as low-level blue collar workers. This is good for students who otherwise would drop out of school.

But with the *Sijil Pelajaran Malaysia* qualification valued more highly and being a requirement for public sector employment as well as entrance to higher education institutions, some parents may worry that their children may drop out of school before finishing upper secondary school, so as to work.

Most schools offer only one assigned vocational subject despite being allowed a maximum of four.

The BVE enables students to enter the workforce with a recognized certificate when they finish their lower secondary level

*An abridged version of this article, entitled: *Heading for a High-income Economy*, was published in the *New Straits Times*, 22 February 2012.

If Malaysia wants to have a 50 per cent skilled workforce, the government must be bolder in its student TVET enrolment targets

This is because the provision of facilities is costly and there is a shortage in the supply of trained teachers. In the BVE pilot run, each school offers only one course. Schools offering the maximum number of courses will depend on the availability of facilities and teachers, and demand by students.

Students will be limited to either taking the courses offered by their school or not participating at all. Therefore, they are often left with no other option as they are also often limited to attending schools closest to home.

For the BVE to be meaningful, there should be a large enough number of courses or subjects to choose from in each participating school, and at least one school in every district. Students opting for the BVE should not be restricted to having to go to schools closest to home. This way, the option to choose the vocational path will be fully open to all students, without them having to apply nor involving competition for limited space.

The Ministry of Education is planning to upgrade vocational schools to vocational colleges. Along

with this, regular schools will also be converted into vocational colleges. But a vocational college is an upper secondary level institution.

The MOE should stretch this further by converting regular schools into full-fledged vocational schools – schools with a full vocational stream that begins at lower secondary level. This is an extension of the BVE. Rather than having five per cent of students in a particular school participating in the BVE, we should have the whole school participating. The dual education path has contributed to a large skilled workforce in countries such as Germany, Finland and South Korea.

The vocational education transformation plan, if successfully implemented, will bring about a major change in the Malaysian education system. Therefore, besides the equipping of schools, teachers need to be trained, so the higher education sector needs to step up to this role quickly.

We are already one-fifth through the decade to 2020. If Malaysia wants to have a 50 per cent skilled workforce, the government must be bolder in its student TVET enrolment targets. Executing the transformation requires the strong will of all those involved. But it is by no means impossible. Within the next five years, the BVE and the transformation plan must eventually lead to a dual education path with equal standing. Will we be successful in moving in that direction? Only time will tell.

Book Review: Steve Jobs

*Reviewed by Nor Izzatina Abdul Aziz
Researcher, ISIS Malaysia*

Title: Steve Jobs
Author: Walter Isaacson
Publisher: Simon & Schuster (2011)
656 pages

Steve Jobs at one time aimed to put a dent in the universe. In a way he managed to do that by changing the way the computer was brought to the people. His journey is chronicled in a new, authorized biography, currently topping best-seller lists around the world.

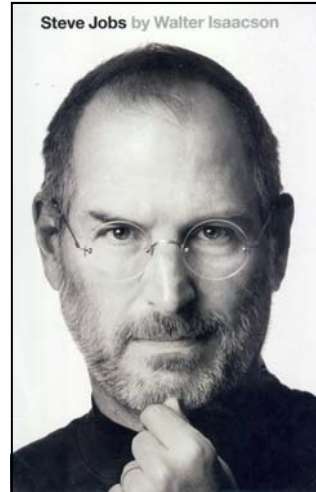
"Great minds discuss ideas, average minds discuss events, and little minds discuss people."

The above quote is apt in dissecting the life lessons of Steve Jobs. On the most basic level, individuals may start adopting Jobs' dietary regime. Parents will start emulating Paul and Clara Jobs' parenting style to nurture the next Steve Jobs. Those in the computing industry will reminisce on the early stage of the development of the personal computer, recalling its winners and losers, and how things could have taken a different turn in the past.

But Jobs' legacy is not the products he has put out, his attitude or his approach. It is in his vision to drive *Apple* and ultimately, the computing world forward.

In 2005, Steve Jobs delivered a commencement speech in Stanford University and it is among the most watched commencement speeches on *You*

...Jobs' legacy... is in his vision to drive Apple and ultimately, the computing world forward



Steve Jobs

most watched commencement speeches on *You Tube*. The speech outlined three lessons from Steve's life. His recent official biography recorded these three lessons.

Product Design Matters

The success of the *Macintosh*, *iPod*, *iPhone* and *iPad* can be attributed to *Apple's* ability to create electronic devices to satisfy consumers' appetites. By appealing to the consumer's aesthetic taste, *Apple* in the first decade of the 21st century created a transportation system to navigate through the increasing capacity of the World Wide Web.

Apple's products and services have been subjected to their fair share of criticisms, in spite of their commercial success. *Apple* has been accused of promoting a closed or walled system, with arm-twisting techniques, so that book and software companies continue to abide by their regulations if they wished their products to be placed in *Apple's* iTunes Store. The deep integration between *Apple's* hardware and software is the envy of organizations and even governments.

Imagine that the government of Malaysia is, by default, a corporation tasked to come out with products (policies) that will appeal to its consumers (citizens). Apart from satisfying the hunger of citizens for aesthetics, the product will need to cater to customers' unrealized needs, have enough room to deal with defects/failures, and provide a well integrated system for the masses. Designing a policy in isolation is not a walk in the park but to design it with multiple other policies amidst a changing environment is daunting.

Find Visions to believe in

The second important lesson from Steve Jobs is on finding a vision. Jobs would not have been a business legend without a clear vision. He went to great lengths to expand his horizons. His endeavours ranged from experimenting with drugs to a trip to India. His visions were highly influenced by the rapid technological changes that took place in Silicon Valley, where he grew up, went to college and lived.

The challenge of policymakers is to create an ecosystem where strong and positive visions can flourish. 'Knowledge economy' and 'innovation-driven economy' are among the catch-phrases thrown around to describe the next stage of growth for Malaysia. However, the cultivation of the next generation of 'tech-visionaries' will require more than enrolling thousands of school-leavers in engineering programmes or pouring billions into technological-driven companies.

It is regrettable that private publishers in Malaysia choose to increase the number of lifestyle magazines rather than take a chance with a publication that is able to shape the next generation's visions



One of Apple's iconic products— the iPad

The positive impact of the Internet is that technological changes and ideas can now flow easily to every corner of the world. Unfortunately, this stream of information is also clogged with 'noise,' such that even information searches on the Kardashians on Wikipedia count as knowledge activities. Therefore finding the right vision is a daunting task; it requires the right kind of nurturing and exposure to the right contents.

A way to increase our citizens' view of the world is to provide them with enough challenging literature especially in Science and Technology. It is unfortunate that at the local level, the task to promote this worldview is now left to the Academy of Sciences' *Estidotmy* and Dewan Bahasa dan Pustaka's *Dewan Kosmik*. Those with means can always go to established bookstores in Kuala Lumpur for the latest edition of *Scientific America* or *Popular Mechanics*. It is regrettable that private publishers in Malaysia choose to increase the number of lifestyle magazines rather than take a chance with a publication that is able to shape the next generation's visions.

Turn Vision into Action with a lot of Help

In Jobs' Stanford's speech, he spoke about the *Whole Earth Catalogue*, a publication started in 1968 that, in a way, shaped Silicon Valley's groupthink in the late 20th century. The *Catalogue* worked by listing 'tools' that the editors found useful for developing in a person the power to

conduct his own education, find his own inspiration, shape his own environment and share his adventure with whoever is interested.

The notion that any man or woman is an actor able to influence or change the world, was something very important for the likes of Steve Jobs and Bill Gates who ushered humanity into the information and communication technology revolution.

Silicon Valley in 1976 helped launch Apple Computer and all it took was Steve Jobs' drive to combine the available resources around him. Its first product, the *Apple I* personal computer kit was just an assembled circuit board aimed at assisting computer hobbyists and turning them from their preoccupation with building a machine to writing machine language. In the quest to come out with *Apple I*, Steve Jobs had to make use of the resources around him; i) the necessary personnel (Steve Wozniak), ii) commercial floor space (The Byte Shop), and iii) raw material inputs (Cramer Electronics). Seeing the success of *Apple I* and the possibility of greater success for *Apple II*, Steve Jobs was encouraged to seek capital of US\$250,000 from Mike Markkula.

Apple Computer grew to be one of the most successful and admired companies in the world. Steve Jobs' greatest contributions were his ability

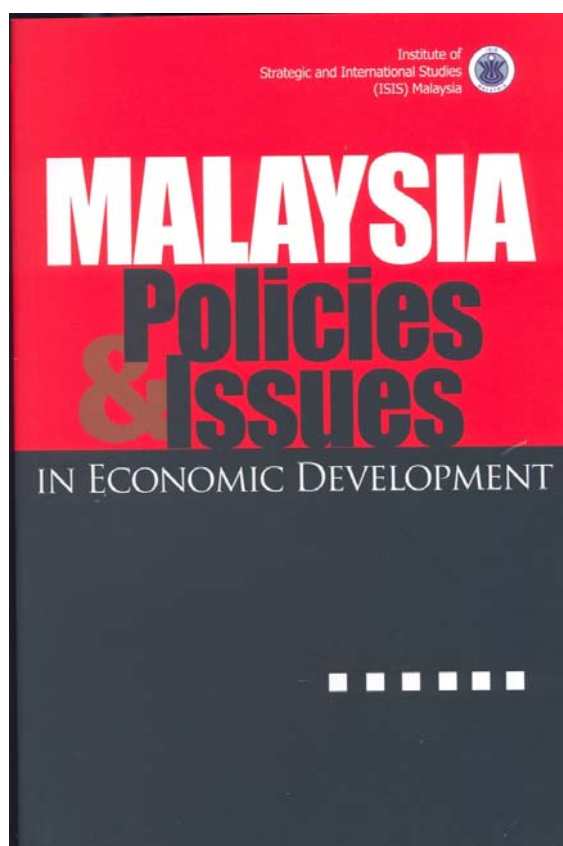


Steve Jobs

to leverage on other peoples' strengths and to envision products and services that could 'wow' the world.

The policymakers' job is not to create the next Steve Jobs. Given the resources in government, leveraging on other peoples' strengths so as to reach a certain goal should come easily. This however will not guarantee success. There should be the willingness to go back, look at each input and to cut out the unnecessary parts.

Steve Jobs by Walter Isaacson shows us that any one of us can be like Steve Jobs; all we need is a clear vision, and the ability to transform inputs into an awesome outcome.



Malaysia: Policies & Issues in Economic
Development
693 pp. 2011 RM 80.00 / US30.00
ISBN 978-967-947-308-7

The book, consisting of more than 20 chapters, covers four main themes: Macroeconomic Management, Economic Growth and Transformation, Management of Growth and Equity, and Enabling Environment and Institutions for Development. The authors are drawn from various sectors, with wide-ranging and rich experience in academia, the public sector and the private sector.

Compared to previous studies which focused mainly on the development process, this book takes a different approach to Malaysian economic development. It traces landmark achievements, and presents challenges and pitfalls faced by the nation over the last five decades after Independence. More importantly, it pays tribute to the role and contributions of various players and protagonists in this development process.

Available at all local book shops or please e-mail: publications@isis.org.my



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