

A SUMMARY

As we commemorate our Golden Jubilee we believe that this is high time for reflections on our past history and work collectively towards a more united, competitive, innovative and prosperous Malaysia.

Focusing on the social and psychological well-being of the nation, we strive to cultivate a national identity that recognizes and celebrates our diversity. In order to provide fair and just opportunities for all we propose that new strategies be formulated and implemented to unleash and harness the potentials of all Malaysians.

Supporting the continuous partnership between Government, business and civil society, we state our renewed determination to work for the betterment of our society and our commitment to a **New Malaysian Agenda** encompassing Eight Strategic Thrusts.

ORGANISED BY



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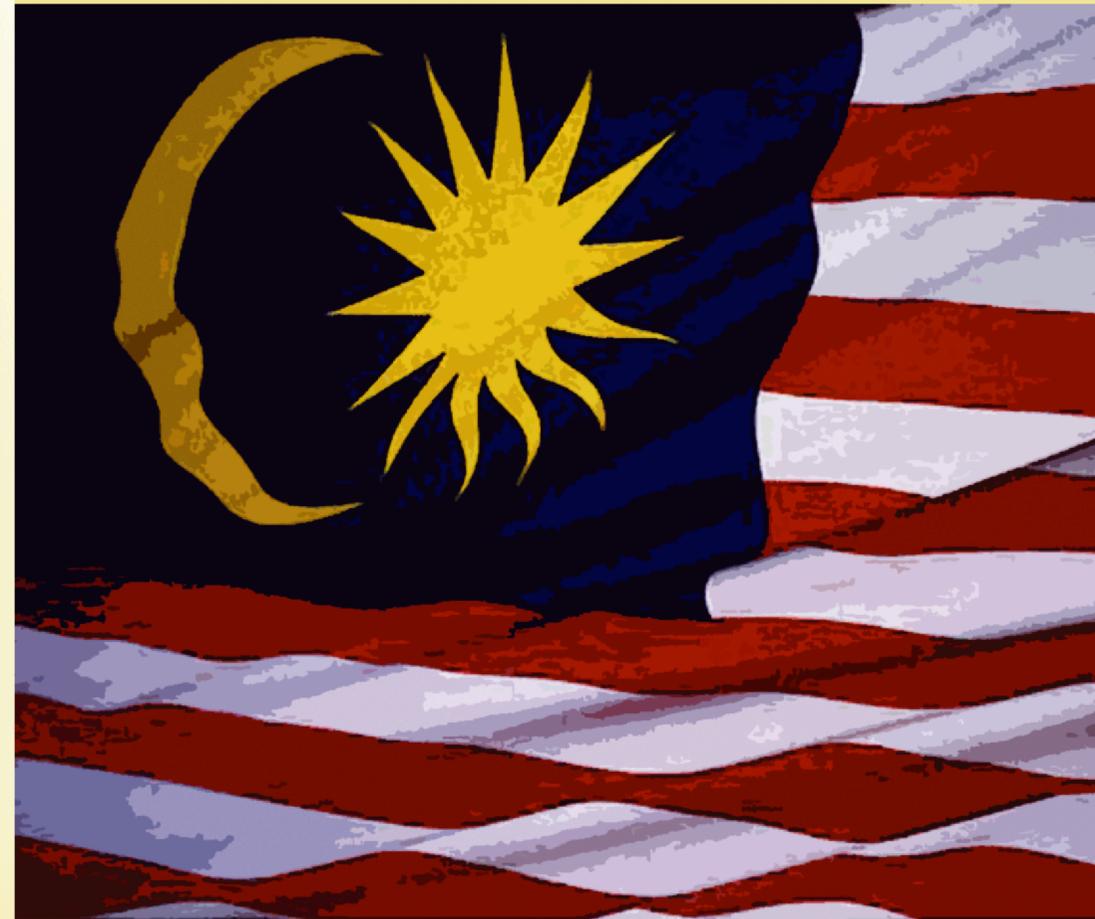
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the official launch of

THE MERDEKA STATEMENT

in commemoration of Malaysia's 50th anniversary of independence



TOWARDS 2020

Working Together For A More
United, Competitive, Innovative & Prosperous
Malaysia

2nd August 2007 ● Eastin Hotel ● Petaling Jaya

ORGANISED BY



NEW MALAYSIAN AGENDA

1 Strengthening National Unity

2 Enhancing International Competitiveness

8 Improving Governance, Fighting Corruption

3 Creating An Innovation Economy

7 Ensuring Quality of Life

4 Redressing Imbalances

6 Reforming Education

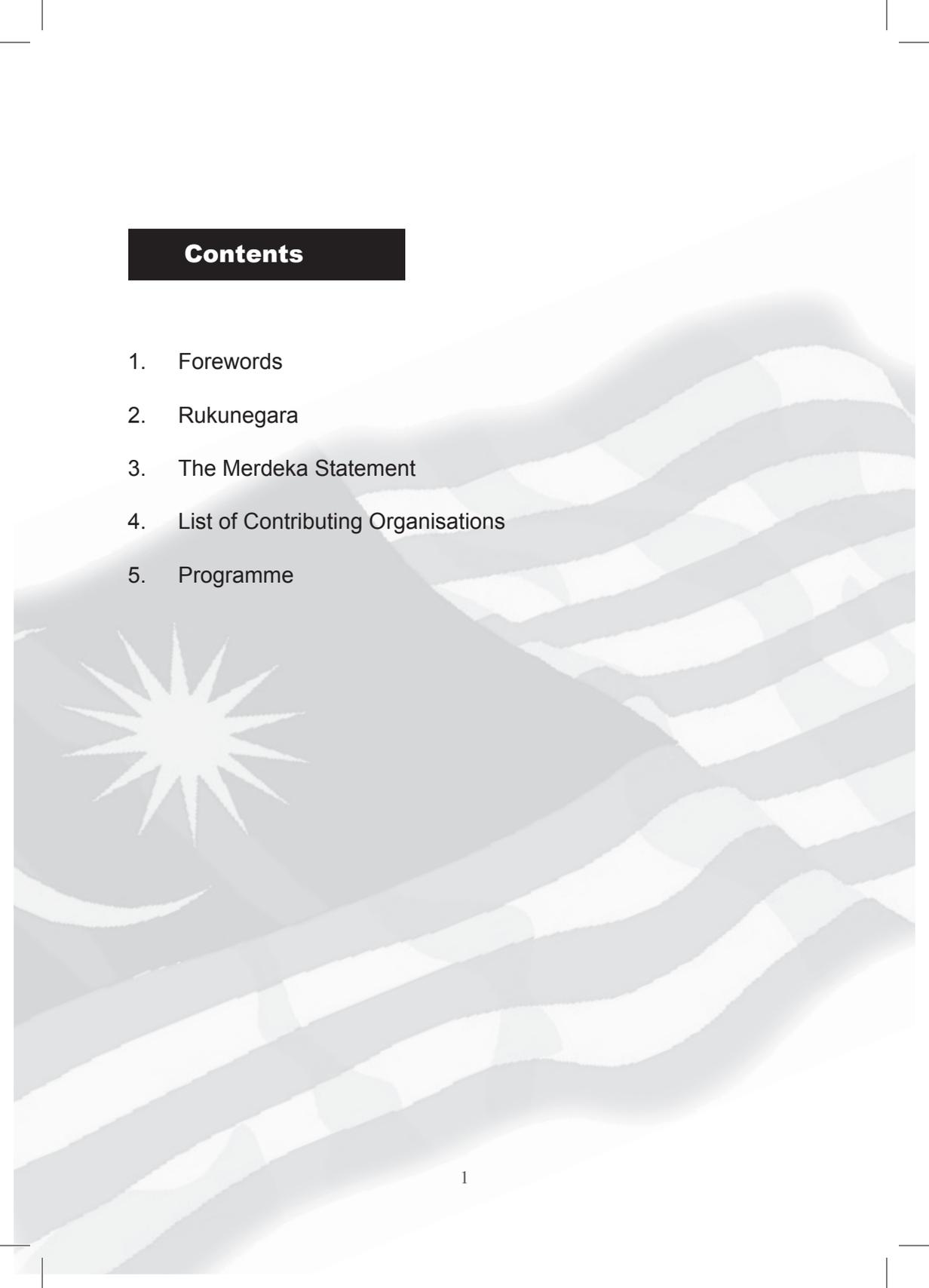
5 Reinforcing Institutions



striving to cultivate a national identity that recognizes and celebrates our diversity

THE PROGRAMME

- 8.30 am Arrival of Guests & Morning Tea
- 9.15 am Arrival of YB Tan Sri Datuk Seri Panglima Bernard Giluk Dompok
- 9.30 am Welcoming Remarks by Tan Sri Dato' Dr Ramon V. Navaratnam, Chairman, Centre for Public Policy Studies
- Introduction to Merdeka Statement by Dato' Dr Michael Yeoh, Chief Executive Officer, Asian Strategy & Leadership Institute
- 9.45 am Keynote address by YB Tan Sri Datuk Seri Panglima Bernard Giluk Dompok, Minister in the Prime Minister's Department
- 10.00 am Overview of Merdeka Statement by Tricia Yeoh, Senior Research Analyst, Centre for Public Policy Studies
- 10.15 am Official Handing Over of Merdeka Statement to the Government, represented by YB Tan Sri Datuk Seri Panglima Bernard Giluk Dompok, Minister in the Prime Minister's Department
- 10.30 am Panel Discussion on the Merdeka Statement
1. Ms. Ivy Josiah
Executive Director, Women's Aid Organisation
 2. Rev. Dr. Hermen Shastri
Malaysian Consultative Council of Buddhism, Christianity, Hinduism, Sikhism and Taoism
 3. Dato' Mohd Zaid Ibrahim
Member of Parliament, Kota Bharu
 4. Mr. Andrew Khoo
Malaysian Bar Council
- 11.45 am Q&A Session
- 12.30 pm Lunch



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2. Rukunegara
3. The Merdeka Statement
4. List of Contributing Organisations
5. Programme

Foreword

Currently one of the wealthiest and most developed countries in Southeast Asia, Malaysia is assessed by UNDP as already having achieved significant number of Millennium Development Goals (MDGs). Since 1970, poverty in Malaysia has fallen from 50% to 5%, infant mortality has dropped from 40.9 to 7.9 per 1,000 live births, and adult literacy has increased from 60% to 94%. To top it off in the contemporary world, Malaysia favours participation in a global partnership for development that benefits all countries willing to take part. As a result, we have transformed from a producer of raw materials to become a modern NIC, Newly Industrialised Country, enjoying an annual GDP growth rate of about 5-6%.

Now recognised internationally as a model for successful development, the challenge for Malaysia is to maintain momentum in dealing decisively with the next set of tasks and priorities that will keep the nation moving ahead, continuing to set precedents that others can emulate, and moving towards our ultimate objective of becoming a fully developed nation.

Through various reports released, we have identified a few pressing issues including our alarming net decline in Foreign Direct Investments this year and our less than desirable ranking with the Universal Press Freedom Index. We even rank second worst in Asia in terms of individual inequality measured by the common Gini Coefficient according to the World Bank. Moreover recently due to several high profile court cases regarding religious freedoms we see an increasing polarisation of Malaysians that is chipping away at the national unity block that our leaders have strived to hard to build since Independence.

The key strategies that the 39 contributing organisations, including the Centre for Public Policy Studies, have collectively identified to counter the further deterioration of these problems are here compiled into eight major points in this Merdeka Statement. The fact that so many organisations have contributed to the Statement adds tremendous worth and value to it. Indeed, we believe that these eight strategic thrusts in our Merdeka Statement if endorsed and implemented will be critical to keeping Malaysia at the forefront of its social, economical and political development as one of the more unique multicultural, multilingual, and multi-religious countries in the world.

In conclusion, I would like to thank all those who contributed and participated in the analysis and dialogue that led to the preparation of this publication. I hope this work will be taken seriously by all sectors of civil society and will also act as a roadmap as we work together towards a Malaysia that is more united, competitive, innovative and prosperous.



Tan Sri Dato' Dr. Ramon Navaratnam
Chairman
Centre for Public Policy Studies

Kuala Lumpur
27th July 2007

Foreword

50 years is a significant milestone in the history of any nation. Celebrating the 50th anniversary of Merdeka is no different. In commemorating our 50 years of independence, it is timely to reflect on what we have achieved as a nation and we did achieved much; as well as ponder over our road to nation-building and national unity. There is no question we have come a long way since 1957. We have every reason to celebrate our success as a nation.

ASLI's Centre for Public Policy Studies felt it would be apt and timely to review our path to peace, progress and prosperity in commemorating our 50th year of independence. Hence, this Merdeka Statement.

The Merdeka Statement was formulated in consultation with over 37 organisations representing Malaysians from different ethnic, religious, vocational and academic backgrounds. It sets out a set of nation-building principles and basic beliefs, which can constitute a philosophy to guide Malaysia for the next 50 years to 2057. It is aspirational, inspirational and forward looking. It is balanced and comprehensive.

The Merdeka Statement reaffirms and recognises the basic building blocks of nation-building i.e. the Social Contract, the Rukunegara and the Federal Constitution. These are the bedrock foundations that enabled the nation to live in peace and harmony and to make quantum progress.

Nevertheless, in envisioning the future of Malaysia for the next 50 years, we need to be bold yet pragmatic, idealistic yet realistic, recognizing the multi-racial and multi-religious fabric of Malaysia living in a globalised competitive world.

To progress the nation must accept change for change is a constant in the life of any nation or civilisation. Yet in seeking change, we accept that change needs to preserve our unity and harmony and not be radical or revolutionary but incremental and evolutionary.

In putting forward these Eight Strategic Thrusts in the Merdeka Statement, we do not seek to confront but to seek consensus and build bridges. The Merdeka Statement is not a set of demands. It is non-confrontational. It sets out the aspirations of a large number of Malaysians who want to contribute positively and constructively to the process of nation-building. Hopefully, it will generate healthy debate on the Road Ahead.

Let us celebrate our harmony and unity in diversity. Selamat Merdeka. Salam Perpaduan.



Dato' Dr. Michael Yeoh
Chief Executive Officer
Asian Strategy & Leadership Institute

Kuala Lumpur
27th July 2007

Foreword by Editor

The Merdeka Statement, although conceptualised by the Centre for Public Policy Studies, is by no means a document that stands in isolation from the rest of society. Indeed, the very spirit captured therein has been that of consensus for the collective good of all people in Malaysia. This principle has been intentionally maintained from the project's inception till the end, manifest in the very process of formulating the final Statement.

Over the period of the past six months, a range of numerous consultation meetings and correspondence took place, inviting inputs and contributions from as wide a cross-section of society as possible. These organisations represent Malaysians from various walks of life and backgrounds. Many hours were spent deliberating and analysing the contents in refining the Statement to suit respective concerns.

The Eight Strategic Thrusts of the Merdeka Statement encapsulate: Strengthening National Unity, Enhancing International Competitiveness, Creating an Innovation Economy, Redressing Imbalances, Reinforcing Institutions, Reforming Education, Ensuring the Quality of Life for all citizens, and Improving Governance in the form of overcoming corruption through principles of governance.

With such a wide scope, one can imagine that the process of forming agreement, especially upon key recommendations and principles of action, was not an easy one. Although we were regrettably unable to accommodate every specific input – for the sake of consensus - I believe the Merdeka Statement captures some of the most pertinent sentiments we desire to be delivered to and seriously considered by the Government without fear or favour.

Developing and editing the Merdeka Statement has been a uniquely humbling experience, in more deeply understanding the real fears and hopes of Malaysians presently, and their aspirations for the next 50 years. It is my earnest desire that the Statement becomes a central reference point to empower civil society in developing positions and stances that will contribute toward a constructive nation-building process.

Finally, I would like to extend my utmost thanks to all who have participated in this dynamic discourse over past months. Your time and efforts are greatly appreciated.



Tricia Yeoh
Senior Research Analyst
Centre for Public Policy Studies

Kuala Lumpur
27th July 2007

Rukunegara

BAHAWASANYA NEGARA KITA MALAYSIA mendukung cita-cita hendak :

- ◆ mencapai perpaduan yang lebih erat di kalangan seluruh masyarakatnya ;
- ◆ memelihara satu cara hidup demokratik ;
- ◆ mencipta satu masyarakat adil di mana kemakmuran Negara akan dapat dinikmati bersama secara adil dan saksama ;
- ◆ menjamin satu cara liberal terhadap tradisi-tradisi kebudayaannya yang kaya dan berbagai corak ; dan
- ◆ membina satu masyarakat progresif yang akan menggunakan sains dan teknologi moden.

MAKA KAMI, rakyat Malaysia, berikrar akan menumpukan seluruh tenaga dan usaha kami untuk mencapai cita-cita tersebut berdasarkan atas prinsip-prinsip berikut :

- ◆ KEPERCAYAAN KEPADA TUHAN
- ◆ KESETIAAN KEPADA RAJA DAN NEGARA
- ◆ KELUHURAN PERLEMBAGAAN
- ◆ KEDAULATAN UNDANG-UNDANG
- ◆ KESOPANAN DAN KESUSILAAN

Rukunegara

Our nation, Malaysia, being dedicated :

- ◆ to achieving a greater unity of all her peoples;
- ◆ to maintaining a democratic way of life;
- ◆ to creating a just society in which the wealth of the nation shall be equitably shared;
- ◆ to ensuring a liberal approach to her rich and diverse cultural traditions;
- ◆ to building a progressive society which shall be oriented to modern science and technology;

We, her peoples, pledge our united efforts to attain these ends guided by these principles:

- ◆ BELIEF IN GOD
- ◆ LOYALTY TO KING AND COUNTRY
- ◆ UPHOLDING THE CONSTITUTION
- ◆ RULE OF LAW
- ◆ GOOD BEHAVIOUR AND MORALITY



Merdeka Statement in Commemoration of Malaysia's 50th Anniversary of Independence

CONCURRENTLY,

as Malaysia celebrates its Golden Jubilee in 2007, marking a momentous milestone in nation-building, it is time to take stock of our achievements as a nation, celebrate our successes and reflect on our weaknesses and shortcomings.

RECOGNISING,

that Malaysia gained its independence peacefully through the toils and efforts of all ethnic backgrounds working together we ought to learn from our past history. We need to offer new hopes to all Malaysians as we journey towards our centenary, a future of a better, fairer, more united, prosperous and just Malaysia for all citizens irrespective of ethnicity and religion.

APPLAUDING,

the dedication and commitment of our Bapa Merdeka Tunku Abdul Rahman and recognizing the role of all past national leaders and all other contributory parties of all ethnic communities for their role in the founding and building of our beloved nation – Malaysia.

ACKNOWLEDGING,

that the nation was founded on the social contract negotiated prior to Merdeka and the inalienable guarantees enshrined in the Federal Constitution, protecting the rights of all Malaysians.

NOTING,

the aspirations of the nation and its people to strive towards becoming a fully developed nation as stipulated in Vision 2020, keeping in mind the need for sustainable development.

OBSERVING,

the official formation of the Federation of Malaysia in 1963, and recognising the rightful autonomy entitled by all states therein.

RE-AFFIRMING,

the Federal Constitution and the Rukunegara as the guiding principles and shared values of democracy and fundamental rights of all citizens in the nation.

WE BELIEVE THAT:

- ◆ As we commemorate our Golden Jubilee, we need to **celebrate our diversity** and draw strength from our national motto, "Unity in Diversity".

- ◆ We need to re-look at our **national road maps** to take us forward for the next 50 years, through a comprehensive and holistic approach for **nation-building and national development** that brings progress to all Malaysians.
- ◆ Having achieved relative economic prosperity, we need to now focus upon sustainable **social well-being of the nation**, developing a **national identity and ethos** that reflects accurately and confidently the multicultural and multireligious fabric of the Malaysian society. We need to honestly identify impediments to national unity and address past and present conflicts, in order **to seek appropriate solutions** for the way forward.
- ◆ We need to **unleash and harness the potential of all Malaysians**, so that no one will be left behind and that development will embrace all ethnicities, religions, sectors and regions.
- ◆ As we gear up to face the challenges of globalisation and a rapidly inter-connected world, we need to **unlock the creativity and innovation** of our people, working uninhibitedly together for a common purpose.

WE THEREFORE STATE:

- One.** our Renewed Determination to work for the betterment of Malaysian society providing fair and just opportunities for all.
- Two.** our Commitment to an agenda and work programme encompassing Eight Strategic Thrusts listed below.
- Three.** our Continuous Support for the strategic partnerships between Government, business and civil society all working together for a better society.

ACCORDINGLY, WE PUT FORWARD A NEW MALAYSIAN AGENDA
**“TOWARDS 2020 – WORKING TOGETHER FOR A MORE UNITED,
 COMPETITIVE, INNOVATIVE AND PROSPEROUS MALAYSIA”**

WE PRESENT THESE EIGHT STRATEGIC THRUSTS AS A COMPREHENSIVE
 NEW AGENDA FOR NATION-BUILDING FOR THE NEXT 50 YEARS.

1

ONE, STRENGTHENING NATIONAL UNITY

- ◆ In the struggles towards forging a national identity, great efforts have been taken to strengthen national unity in the country, which must be supported by all.
- ◆ However, recently the **state of unity has been fraying at the edges**. Ethnic, linguistic and religious divides have deepened, causing genuine pain and hurt to many in our nation. Such a fragile state of unity should not have happened after 50 years of nation building.
- ◆ New sustained efforts are urgently needed to rebuild our National Unity.

WE BELIEVE THAT:

- (i) The current National Unity Advisory Panel, under the Jabatan Perpaduan Negara & Integrasi Nasional, should be made an independent **National Unity & Integration Commission**, empowered to review legislation, policies and practices that impede on national unity, investigate complaints of ethnic, linguistic and religious discrimination both in Government and the private sector; made answerable to Parliament and chaired by reputable and credible individuals; and include a **Truth and Reconciliation Committee**, which will serve to grapple with key incidents of conflict and hurt in the country's past, which is an important and necessary part of the healing of the national psyche, in the road towards a peaceful shared future.
- (ii) **All new policies should be tested against the tenets of the Federal Constitution and the Rukunegara** - no policy formulated should be contrary to the spirit of the values contained therein.
- (iii) An independent and transparent **National Consultative Council on Vision 2020 should be established immediately**, for representatives from the Government, private sector businesses, academia, media and civil society to discuss progress towards Vision 2020 and beyond.
- (iv) A **National Research Institute on Ethnic Relations should be established** as a centre that co-ordinates in-depth research on Ethnic Relations and Culture, compiling stories of inter-ethnic cooperation and mutual assistance.
- (v) **Public-Private Partnerships to strengthen National Unity** should be launched at all levels and in all sectors.
- (vi) **Islam is the religion of the Federation of Malaysia** as clearly set out in the Federal Constitution. The freedom to profess and practice the religions of choice as enshrined in the Federal Constitution does not threaten this position. The Government has committed itself to the principles of freedom, protection of minorities and universal values, values of which must be continuously and relentlessly upheld for the sake of all Malaysians.
- (v) Any extremism in the form and shape of ethnicity, religion and gender should not be propagated or tolerated at any level.

WE BELIEVE THAT THE FEDERAL CONSTITUTION AS SUPREME LAW OF THE LAND IS THE PRIMARY REFERENCE POINT FOR STRENGTHENING NATIONAL UNITY, AND THAT ALL NATIONAL POLICIES SHOULD BE TESTED AGAINST ITS CENTRAL TENETS.

2

TWO, ENHANCING INTERNATIONAL COMPETITIVENESS

- ◆ Malaysia is facing **new challenges and opportunities arising from globalisation** and international competitiveness.
- ◆ Malaysia has progressed economically on all fronts and is a model for many of its ASEAN counterparts. Malaysia must, however, remain engaged with the global economy, rapidly and continually adapting to maintain **regional and international** competitiveness by **adopting international best practices**.
- ◆ While the New Economic Policy (NEP), established in 1970, has contributed significantly to the upward socio-economic mobility of the Bumiputera community as a whole, there is a need to conceptualise new strategies and programmes to overcome poverty and restructure society irrespective of race, taking into consideration **changing trends and global developments**, focusing more upon needs and **meritocracy**.
- ◆ The global market for **Foreign Direct Investment (FDI)** has become more competitive. Foreign investors today have numerous options, making investment decisions on destinations that guarantee the highest return rates, not on sentimental affinity to any particular country.

WE BELIEVE THAT:

- (i) In drafting a specific plan to handle globalisation, it is important that we **liberalise at a faster rate** so as not to lose our competitive edge. At the same time, privatisation measures must take into consideration the **economic, social and cultural rights** of the people, protecting infant industries through **structural adjustments**.
- (ii) **Impediments to growth and competitiveness should be removed**, keeping in mind the need for **social safety nets** for all levels of society. Archaic rules, processes, and procedures should be modified accordingly.
- (iii) There should be greater liberalisation of the Foreign Investment Committee (FIC) guidelines and regulations.
- (iv) The Government should **amend the Industrial Coordination Act (ICA)** and raise the threshold to RM20 million for ICA licensing approvals.
- (v) New approaches and strategies should be adopted to maintain and enhance Bumiputera and other marginalised groups' participation in the corporate sector such as: -
 - (a) Providing loans to economically disadvantaged investors to invest in Initial Public Offerings (IPO's) at discounted interest rates;
 - (b) Providing tax rebates to companies that voluntarily allocate more shares to Bumiputera institutions and individual investors that are economically disadvantaged;
 - (c) Providing micro-financing schemes to small business-owners and those from low-income groups;

- (d) Training disadvantaged groups to run entrepreneurial businesses. The integration and participation of all levels of the Bumiputera and other marginalised communities into the local economy could be better emphasised through these means.
- (vi) There is a need for **less bureaucracy** and more efficiency in Government processes particularly between the State and Local Authorities. The **processes of Government must be smoothed out**, sped up, made friendlier and more attractive with minimal delays, and personal attention provided when problems occur.
- (vii) The Government should continue to **enhance bilateral and multilateral relations** with action-oriented deliverables with neighbouring countries on economic, social and political fronts through various formal and informal ties.
- (viii) There should be **increased academia-industry collaboration**, which will allow the corporate sector to work closely with academic institutions in providing links where research and development can serve the interests of both parties in increasing international competitiveness.
- (vix) There should be increased **public education on the benefits of free trade and globalisation**.

WE BELIEVE THAT BY ENHANCING INTERNATIONAL COMPETITIVENESS, THE MALAYSIAN ECONOMY WILL CONTINUE TO GROW AND ADVANCE POSITIVELY. PRESENT CONDITIONS IMPEDE SUCH EFFORTS HENCE NEW STRATEGIES NEED TO BE EMPLOYED TO INCREASE PARTICIPATION OF ECONOMICALLY-DISADVANTAGED BUMIPUTERA AND OTHER DISADVANTAGED GROUPS.

3

THREE, CREATING AN INNOVATION ECONOMY

- ◆ In order to compete successfully in a globalised environment, Malaysia must continue to advance and make rapid progress **in innovation and creativity.**
- ◆ **An Innovation Economy** should be developed as part of existing Plans and Policies, within **trade and services industries.**
- ◆ Creativity and innovation requires an enquiring mind to question basic assumptions and fundamentals. A culture of creativity and thinking outside the box must be cultivated in all spheres, resulting in an all embracing surrounding and atmosphere.
- ◆ The country needs not only technological innovations but also **Government, Social and Educational Innovations.**
- ◆ Social and technological innovations will require a **greater degree of openness and decentralisation of authority,** creating a mind-set shift from a centralised economy to a regulated market economy, keeping in mind a society committed to upholding principles of ethics, integrity, transparency and national community needs.

WE BELIEVE THAT:

- (i) The Government should have the **political will, necessary policy intervention and cultural systems** to allow for the flourishing of new innovative ideas.
- (ii) **Policies, processes, rules, and systems** should be reviewed to promote innovations within the Government.
- (iii) All Government ministries, departments and agencies should **incorporate strategic thinking** into policies applicable for all levels of society.
- (iv) **Incentives to encourage greater investments and funding in innovation** should be initiated by the private sector, in particular for the Information, Communications and Technology (ICT) industry.
- (v) A **National Knowledge and Innovation Board** should be established, as a Statutory Body to champion the National Innovation Strategy.
- (vi) To be successful in Innovation, there needs to be **greater recognition for innovation.**
- (vii) The entrepreneurial spirit must be actively nurtured and developed amongst the younger generation.
- (viii) To cultivate the spirit of enterprise, **rules and regulations that inhibit entrepreneurship need to be reviewed and changed.** Restrictions to media freedom are limits to freedom of expression that should be reviewed.
- (vii) **Capital for business start-ups must** be made more readily available.

WE BELIEVE THAT INNOVATION WILL ENHANCE INTERNATIONAL COMPETITIVENESS. IT IS THEREFORE NECESSARY TO CULTIVATE A CULTURE OF CREATIVITY, OPENNESS AND THINKING OUT OF THE BOX TO SPARK NEW VISIONS FOR THE NATION.

4

FOUR, REDRESSING IMBALANCES

- ◆ In commemorating our Golden Jubilee, we affirm that **no Malaysian should be left behind by account of his or her ethnicity, religion, gender, geographic region or political affiliation.** Imbalances wherever they occur need to be redressed with newer strategies and more vigorous efforts.
- ◆ We note with concern the **growing income inequalities.** (based on the increasing Gini coefficient) evidence of an increasing gap between the rich and the poor. **Intra-ethnic income inequalities** are particularly worrying, especially within the Bumiputera community, and existing **inter-gender income inequalities.**
- ◆ **Regional imbalances in East Malaysia,** the plight of marginalised indigenous groups in Sarawak and stateless street children in Sabah are unacceptable.

WE BELIEVE THAT:

- (i) **Urgent measures must be taken to overcome Bumiputera and other intra-ethnic inequality** by renewed poverty alleviation efforts. **Rapid and radical transformation of the rural economy** and review and strengthening of **rural cooperatives** and **social enterprises** are necessary steps to continually uplift rural communities in *kampungs*, estates, new villages and outlying areas particularly those in Sabah and Sarawak.
- (ii) A time frame should be fixed, whereby **shares held by Khazanah Nasional can be auctioned off to all economically-disadvantaged and marginalised communities.** Khazanah Nasional can use the proceeds from such share disposal for **training and nurturing of entrepreneurs** and developing commercially viable skills within these communities, and the provision of seed capital for their businesses.
- (iii) The Civil Service should be reflective of the ethnic diversity of Malaysia, and no one group should be under or over-represented. To this end, **more non-Bumiputera should be urgently recruited into the civil service.** Positive discrimination programmes should be implemented over a fixed period of time, in favour of non-Bumiputera officers. All civil servants should be given **incentives for career advancement** to attract lateral transfers from the private sector. There should be reciprocal recruitment of Bumiputera into the private sector.
- (iv) **Ethnic, religious, linguistic and gender discrimination** within both the private and public sectors should be discouraged and eventually eliminated.
- (v) There must be due recognition and allocation of the traditional lands to **indigenous groups in Peninsular Malaysia, Sabah and Sarawak** on which they currently reside and regard as their own, as this land has been increasingly alienated to private companies for logging

- purposes. **Native Customary Rights (NCR)** and cultural, social, economic and religious rights must be restored to the **Orang Asli** and other indigenous communities.
- (vi) All reservations lodged by Malaysia in respect of the **Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)** and **Convention on the Rights of the Child** should be removed.
- (vii) The Government should draw up a **central policy** to resolve problems associated with undocumented migrants, and recognise and accept the UN High Commission for Refugees' (UNHCR) refugee status documentation for refugees. Urgent and immediate action must be taken to **resolve the problems of the stateless children in Sabah** so that they can be given adequate quality education. The Government should sign and ratify the **International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families** and the **Convention Relating to the Status of Refugees**.
- (viii) Greater efforts to **reduce the incidence of urban poverty** and to address the problems of **low income families** must be taken immediately.
- (vix) **The poverty line** (national average PLI is RM691) **must be recomputed** to take into account inflation and rising costs of living, particularly in urban areas (urban national average PLI is RM687). The revised poverty line is still inadequate as the increase in prices and number of family members must be taken into consideration.
- (x) We should sign and ratify the **Convention on the Rights of Persons with Disabilities and its Optional Protocol**, in accordance with the Government's commitment to advance the rights of the disabled people. It should expedite the process of approving the **Persons with Disabilities Act** that will provide the basis of equalisation of opportunities for persons with disabilities, eliminate discrimination against them and promote their full participation as equal citizens of the country.
- (xi) Programmes and initiatives to redress poverty imbalances must emphasise a **"weaning off" dependency on Government aid** by building a generation of independent workers, small businessmen, entrepreneurs and professionals.

WE FURTHER BELIEVE THAT THE PRIVATE SECTOR SHOULD:

- (i) Operate on a principle of responsibility to the public, **partnering with the Government to address imbalances and the problem of poverty** through **corporate social responsibility (CSR)**. Public and private partnerships can **adopt poor villages and/or rural schools** to contribute to the poor, disadvantaged, and marginalised groups.
- (ii) Pioneer **social innovations** that can be used to empower the poor and marginalised groups, and uplift their standard and quality of life.
- (iii) **Implement a vigorous internship programme in the corporate sector** to provide training for more graduates, which will facilitate their entry into

corporate life and encourage an entrepreneurial spirit. The Government should consider allowing **tax deductions for companies** with active internship schemes of not less than 50 interns per year and lasting no less than 12 month. This will naturally encourage participation by Bumiputera and other disadvantaged groups in the commercial sector, training them for commerce & industry in the long run.

WE BELIEVE THE GOVERNMENT'S EFFORTS TO REDUCE POVERTY HAS MET WITH OUTSTANDING SUCCESS , A RECORD RARELY SEEN IN OTHER COUNTRIES; BUT NEVERTHELESS BELIEVE EXISTING IMBALANCES MUST BE URGENTLY ADDRESSED.

5

FIVE, STRENGTHENING INSTITUTIONS

- ◆ The **Federal Constitution and the Rule of Law** needs to be strongly defended by all Malaysians.
- ◆ When Malaysia gained its independence 50 years ago, the key institutions of state were clearly defined – **the Executive, Legislature, Judiciary** – in the context of a constitutional monarchy.
- ◆ While going forward, we need to **further strengthen these key institutions** and **ensure their independence** in reflecting values of **good governance**.
- ◆ We believe that **appropriate Law Reforms** need to be instituted to **protect the fundamental liberties and rights** of all Malaysians and to further enhance the key institutions.

WE BELIEVE THAT:

(A) THE CONFERENCE OF RULERS:

- (i) Should restore its unique **unifying and advisory role**, as authorised by the Federal Constitution to deliberate on questions of national policy, and take on its rightful role as symbol of unity, stability, continuity and justice for all citizens.
- (ii) Should play a more proactive role in **safeguarding the present way of life** in Malaysia and to protect Malaysia from ethnic, linguistic or religious extremism of any form.
- (iii) While acknowledging the religion of Islam as the official religion of the nation, should continue to **protect the legitimate interests of Malaysians choosing to profess and practice their faith as enshrined in the Federal Constitution** with minimal administrative interference and absence of penal sanctions.
- (iv) Should ensure to strenuously **protect the Independence of the Judiciary**.

(B) THE EXECUTIVE:

- (i) Should support and establish immediately the proposed **Independent Police Complaints and Misconduct Commission (IPCMC)** to further enhance the Royal Malaysia Police.
- (ii) Should determine that the **Civil Service remain politically neutral** and the professionalism and status of the civil service protected. Further, adequate representation of all ethnic groups in all levels of the civil service should be ensured by the exercising of equal employment opportunity through **merit-based appointment and promotion regardless of ethnicity and religion by the Public Service Commissions** both at Federal and State levels. The Civil Service should also maintain adequate gender representation in appointing more women into the Civil Service. Civil Service recruitment should be based on an Open Examination so that the best candidates are recruited.

(C) THE LEGISLATURE:

- (i) Should guarantee that the **Rule of Law** and **the fundamental rights enshrined in the Federal Constitution** are upheld, protected, instituted and enforced.
- (ii) Should allow for a **Parliamentary Standing Committee** to be instituted for every Government ministry, responsible for regularly reviewing the activities of the Ministry and given the power to conduct public inquiries into proposed legislation, investigative complaints and subpoena witnesses and documents. A **Parliamentary Ombudsman** should be appointed for each Parliamentary Standing Committee.
- (iii) Should ensure a **Code of Conduct** for Members of Parliament when in session, to reflect responsible leadership of the people.
- (iv) Should table and debate in Parliament the adoption and implementation of the **Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)**. The CEDAW Convention should also be incorporated into domestic legislation so that treaty provisions can be invoked and given effect to by the courts, tribunals and administrative authorities.
- (v) Should enact a **Gender Anti-Discrimination Law** that can address problems in the constitution with regard to the guarantee for equality. A **Gender Anti-Discrimination Commission** with the power to advise the Government, hear complaints and deliver decision and guidelines on gender equality should also be established.
- (vi) Should further enhance the protection of Human Rights standards, particularly as Malaysia is a member of the Human Rights Council, by **ratifying international human rights treaties** in particular the **International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, and the International Convention on the Elimination of All Forms of Racial Discrimination**. The Annual Report of the Malaysian Human Rights Commission, besides being tabled in Parliament, should be discussed and recommendations deliberated by Parliament.

(D) THE JUDICIARY:

- (i) The independence of the Judiciary should be protected by establishing an **Independent Judicial Appointments Commission** comprising the Chief Justice, representatives from the legal profession and lay members that will make non-biased recommendations for the appointment and promotion of Judges for the High Court, Court of Appeal and Federal Court.
- (ii) An independent **National Judicial Institute** should be established dedicated to continuing professional growth of superior court Judges in view of the changing demands on the Judiciary in a rapidly evolving society.

(E) PARTICIPATION OF CIVIL SOCIETY:

- (i) Must be ensured through **Local Council Elections**, reinstated to guarantee local constituents' ability to independently elect their local council

representatives. Local democracy reflects the most basic form of good governance.

- (ii) Must be cultivated through a culture of **free, prior and informed public debate** instated by the Government in obtaining views and feedback from as wide an audience of society as possible in its decision-making processes.
- (iii) Must be strengthened through an **informed citizenry** that can **vote intelligently** through a **participatory-approach decision-making process**. As such, the Election Commission should engage in educating the public on the voting processes, making as much information available as possible. There should be **automatic voter registration** for every citizen upon reaching the age of 21.

WE THEREFORE BELIEVE THAT ALL MALAYSIANS:

- (i) Should vigorously **defend and protect our key institutions to safeguard our democratic and liberal way of life.**
- (ii) Should **participate fully** in the democratic life of the nation by more **open expression of views** with minimal administrative restrictions for permits for public rallies in exercising the right to freedom of assembly and association.
- (iii) Should **uphold the Federal Constitution and the Rukunegara**, in particular the Rule of Law.

WE BELIEVE THAT THE INSTITUTIONS OF THE CONFERENCE OF RULERS, THE EXECUTIVE, THE LEGISLATURE, THE JUDICIARY, AND CIVIL SOCIETY SHOULD BE STRENGTHENED IN THEIR RESPECTIVE RESPONSIBILITIES AND ROLE IN SAFEGUARDING DEMOCRACY AND GOOD GOVERNANCE.

6

SIX, REFORMING EDUCATION

- ◆ We believe that Malaysia's future success depends on the quality of its people and this ultimately will depend on the **quality of education** that they receive. There should be focus on key learning outcomes, not just on teaching inputs.
- ◆ We believe that continued focus on human capital development is essential for Malaysia to maintain its competitive edge. Our young children and youths require the **knowledge and skills necessary for a 21st Century workforce.**
- ◆ We believe that for education reforms to succeed there must be a **radical change in mindset** to bring about a paradigm shift in **rethinking education**, in developing a **world-class Malaysian education system.**
- ◆ We believe that Malaysia is at a stage where its national development necessitates an **honest and critical self-reflection.** This involves being truthful to the past that we have inherited, reflected by an accurate and objective depiction and study of the nation's **history.**

WE BELIEVE THAT:

- (i) **Education reforms should be expedited.** Whilst we applaud the Government for its **new education blueprint.** It needs to be speedily implemented down to the actionable level.
- (ii) **Life-long learning should be embraced** and working adults must be equipped constantly with new knowledge and skills to stay relevant and competitive.
- (iii) A **comprehensive reform in both secondary and primary school curricula** must be undertaken that will result in producing critically thinking and analytical students. The pursuit of excellence is essential to bring out the best in our students. Schools should be bench marked against **international best practices.**
- (iv) There needs to be **increased cultivation of languages** (Malay, Chinese, Tamil, Kadazan, Iban and English) within national and vernacular schools in reflecting a true celebration of "diversity in unity", in turn forming a competitive edge for national economy. Mother tongue languages should be taught to their respective people groups.
- (v) **National schools** are appropriate for national integration. School curriculum should contain no gender, ethnic and class stereotypes. However, **diversity** and **freedom of choice** of education should be promoted, as other forms of education do not necessarily impede upon integration processes.
- (vi) **Merit** should be the main criteria for student recruitment into institutions of higher learning. Deserving students from disadvantaged and marginalised communities should be accepted on a means-based approach.

- (vii) **Recruitment and Promotion of university management, lecturers and all staff** should be based on merit and academic excellence and free from political associations. Research track record and publications in leading international academic and local Malaysian journals should be a deciding factor in promotions. Ethnicity should not be a factor in academic promotions.
- (viii) **Scholarships** should be given based on **dual criteria of merit and need**. Sixty percent (60%) of scholarships should be strictly based on academic excellence. The remaining forty percent (40%) of scholarships should be given on **basis of need subject to a means test**. A special category of scholarships should be considered for **marginalised communities**.
- (ix) Greater efforts should be expanded to ensure **students undertake a balance of science, technology and engineering , arts, and social sciences courses**.
- (x) **Academic freedom** for university lecturers must be upheld and heavily stressed by respective tertiary education institutions.
- (xi) Greater emphasis should be given to **vocational and technical training**. Such training should be **competency-based and industry certified**. Teachers' training colleges must encourage **innovative thinking and creativity**.
- (xii) Pro-active and in-depth research needs to be carried out, exploring the causes and finding the means to **reverse the worrying trend of brain-drain**.
- (xiii) Annual **cash allocation for books** should be made available for those in the teaching profession as these provide incentives for reading and publication.
- (xiv) The **gaps between rural and urban schools need** to be urgently addressed.
- (xv) There is a need for restructuring of curriculum and more resources allocated for **Special Education** to overcome problems of unemployment and high dependency faced by persons with disabilities.

WE BELIEVE THAT MAJOR PARADIGM SHIFTS ARE NECESSARY IN REFORMING TOWARDS A WORLD-CLASS EDUCATION SYSTEM, AND THAT POLICIES MUST BE IMPLEMENTED THROUGH CONCRETE PRINCIPLES OF ACTION.

7

SEVEN, ENSURING QUALITY OF LIFE

For us, quality of life includes protecting the environment and having adequate access to healthcare, basic amenities and housing, amongst other variables. Underlying these is a need to create a caring and community-driven society with a social conscience. Specific indicators such as the Malaysian Quality of Life Index should be used as a measurement tool.

(A) ENVIRONMENT

- ◆ We affirm that **sustainable development** is essential so that future generations will not be deprived of their heritage and natural resources.
- ◆ We need to ensure that our **quality of life** can be improved through sustainable development initiatives.

WE BELIEVE THAT:

- (i) The Government, private sector and civil society should **work together in joint partnerships to protect the environment** and **ensure sustainability of the eco-system** especially in preserving the green lungs of society through forest reserves.
- (ii) In recognising the **importance of our National Heritage**, the Government should set up a **National Conservation Trust Fund** and to desist from any acts that will destroy our heritage.
- (iii) The **Environmental Protection Act** should be reviewed; ensuring that the Act adapts to the changing environment and eco-systems the nation is facing today.
- (iv) Greater usage of **sustainable energy** should be employed and promoted.
- (v) **Public-private partnership programmes for environmental protection** should be implemented.
- (vi) More concerted effort should be shown in providing the means and education processes necessary for **recycling and reducing litter and pollution to the environment through alternative waste management technologies.**
- (vii) We should recognise the potential problems caused by natural disasters and climate change to human life, property and economic processes, and embark on initiatives to handle their ramifications.

(B) ACCESS TO HEALTHCARE

- ◆ We believe that access to basic healthcare is both a necessity and a human right to ensure quality of life; hence these services should be continually enhanced for all's benefit.
- ◆ We believe that the Government's healthcare policy must be transparent and open for public consultation in its process of continual improvement.

WE BELIEVE THAT:

- (i) The **National Health Financing Scheme** must be transparent to the public and ensure fairness and equity.
 - (ii) **Annual budget allocations** for the healthcare sector should be increased proportionally to the World Health Organisation's **minimum recommendation of five percent (5%)** for developing countries.
 - (iii) Adequate and quality **technical training** must be provided to all healthcare support staffs. Soft skill development must be initiated during tertiary education and sustained during their medical education.
 - (iv) The Government should develop its primary healthcare and services to be **on par with the private sector** to cater for citizens at all levels.
 - (v) **Research studies, public health and healthcare programmes** should be increased to educate and empower society on healthcare issues in particular those related to HIV/AIDS.
 - (vi) Adequate resources must be allocated to **health care for the elderly** through old-age care homes.
 - (vi) Health and medical care must ultimately focus upon the **welfare of the community** at large.
- (C) ACCESS TO BASIC AMENITIES & HOUSING**
- ◆ We believe that everyone should have sufficient access to affordable water and other basic amenities, necessary for enhancing quality of life.

WE BELIEVE THAT:

- (i) Greater incentives should be given to housing developers to install **efficient systems** such as rain water harvesting and utilisation systems and grease traps in all sources of output from individual property drains to monsoon drains, and to adopt increased usage of energy-efficient and solar-energy based fixtures and fittings.
- (ii) **Greater transparency in housing and development project plans** should be maintained, with concerted effort to implement a **multiple stakeholder consultation process**, with particular focus on environmental implications.
- (iii) Housing and the design of dwellings and its environments should promote healthy and safe living with the provision of adequate living space, green lungs, children and youth safe areas, sports and recreation facilities and discourage opportunities for the commission of crime.
- (iv) Greater incentives should be given to water operators for investment to **enhance water treatment processes**, and to generate energy using renewable sources.
- (v) The Government should provide allocations on **research & development** for water and energy resource conservation and public education on alternative technologies.

(D) SAFETY AND SECURITY

- ◆ Safety is one of the basic issues that contribute to the quality of life in a society.
- ◆ The rising crime rate is of alarming concern. Over a 30-year period between 1973 and 2003, there was a 230% increase in the number of total reported crimes nationwide. This includes vehicle thefts, crimes involving property, robberies, housebreaking, simple and snatch thefts.

WE BELIEVE THAT:

- (i) In order to improve security, **an established and effective policing system** needs to be put into place. The Government needs to look seriously into the **increasing crime rate.**
- (ii) There needs to be an alternative system that runs concurrently with the existing structures.
- (iii) It is proposed that the private sector is given increased authority to undertake some select roles of security, through, for example, an Auxiliary Police Force.

WE BELIEVE THAT QUALITY OF LIFE, ENCAPSULATED BY MANY AREAS, MUST BE ENSURED AND ADEQUATELY PROVIDED FOR, FOR ALL CITIZENS OF MALAYSIA EQUALLY.

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EIGHT, ENHANCING GOVERNANCE, FIGHTING CORRUPTION

- ◆ We condemn corruption. It is an evil in itself that contradicts basic ethics and value systems.
- ◆ It is an unnecessary cost of doing business that must be eliminated. As such there must be greater and more determined efforts to stamp out corruption in the Government and all other businesses.
- ◆ We believe that the principles of **transparency, integrity, accountability and responsibility** must be strictly upheld, practiced and enforced in all sectors of society.
- ◆ We believe that **good governance** is essential to building a better future for Malaysians, with particular focus on **good corporate governance practices** in the private sector.
- ◆ We believe that a clean Government will increase international competitiveness as it provides a more conducive environment for conducting business.
- ◆ We believe that corruption leads to a **misallocation of resources**, frequently at the expense of the least well-off and most vulnerable in society, who are powerless to challenge those engaged in corrupt practices and are unable to stand up for their rights.

WE BELIEVE THAT:

- (i) Efforts to fight corruption should be strengthened, working together with business, civil society and the media.
- (ii) A **Freedom of Information Act should be pursued** and eventually instated at both Federal and State levels. Access to information is key in the drive against corruption. Protection of whistleblowers must be ensured.
- (iii) The current **Anti-Corruption Agency** should be made independent and answerable to Parliament. Care must be taken to employ credible and reputable individuals.
- (iv) **Public Declaration of Assets** should be obtained from Cabinet Ministers, Menteri Besar, Chief Ministers, State Executive Councillors, Ministry's Secretaries-General, Directors-General, Senior Police Officers and judges, and their direct family members. These should be made readily available for public viewing.
- (vi) Ministers, judges and senior civil servants should be prohibited from taking up directorships, consultancies or employment in any for-profit organisation for a period of two (2) years after they leave office or retire.
- (vi) **Public Tenders** in all contracts and Government Procurement at federal, state and local levels should be ensured, with related information and details also made readily available to all, with the exception of those involving national security.
- (vii) The **United Nations' Convention Against Corruption** must be ratified immediately.

WE BELIEVE THAT CORRUPTION, IF NOT ADDRESSED, WILL EAT AWAY AT THE NATION'S ECONOMIC AND SOCIAL PROSPERITY, AT GREAT COST. GOOD GOVERNANCE MUST ADDRESS CORRUPTION IMMEDIATELY.

COMMITMENT OF THE CENTRE FOR PUBLIC POLICY STUDIES

In making the aforesaid statement, we believe that whilst Malaysia has made a quantum leap over the past 50 years in terms of development, a new paradigm is necessary to take it forward for the next 50 years. What had worked so well in the past 50 years may need to undergo changes with new international and regional dynamics. New ideas and new thinking are essential. We need to regain trust and rebuild confidence in Government and corporate leadership.

As Malaysia's Founding Father and first Prime Minister, Tunku Abdul Rahman said, "We must each always think first of (Malaysia), of the national need and least of ourselves. Everyone must try to help and see that the people are one-minded, with one loyalty and one aim, to make (Malaysia) - the land we love - a happy abode for all of us. If we all do this then we can guarantee liberty, security, prosperity and happiness for the future."

The CPPS, ASLI, hereby adopts this Statement as our Work Programme and Plan of Action in our modest and sincere efforts to contribute to a better society. We invite like-minded organisations and individuals to join us in this journey.

The following organisations were consulted in the process of drafting the Centre for Public Policy Studies' Merdeka Statement.

Contributing and Supporting Organisations of the CPPS Merdeka Statement

1. All Petaling Jaya Proaction Committee (APPAC)
2. All Women's Action Society (AWAM)
3. Center for Malaysian Chinese Studies
4. Center for Orang Asli Concerns (COAC)
5. Centre for Independent Journalism (CIJ)
6. Centre for New Strategic Knowledge
7. Consumers' Association of Sabah & Labuan
8. Council of Churches Malaysia (CCM)
9. Development of Human Resources in Rural Asia (DHRRA) Network, Malaysia
10. East Malaysian NGOs' Development Network
11. Education & Research Association for Consumers (ERA Consumer)
12. Federation of Malaysian Consumer Associations (FOMCA)
13. Force of Nature
14. Institut Kajian Dasar (IKD)
15. International Movement for a Just World (JUST)
16. Kuala Lumpur & Selangor Indian Chambers of Commerce & Industry (KLSICCI)
17. Malaysia Hindu Sangam
18. Malaysian Association of Standards Users
19. Malaysian Bar
20. Malaysian Buddhist Association
21. Malaysian Confederation of the Disabled (MCD)
22. Malaysian Consultative Council of Buddhism, Christianity, Hinduism, Sikhism and Taoism (MCCBCHST)
23. Malaysian Institute of Corporate Governance (MICG)
24. Malaysian Interfaith Network (MIN)
25. Malaysian Society for Quality in Health (MSQH)
26. Malaysia Think Tank London
27. National Evangelical Christian Fellowship (NECF)
28. Oriental Hearts and Mind Study Institute (OHMSI)
29. Peace Malaysia
30. Persatuan Kebangsaan Hak Asasi Manusia (HAKAM)
31. Research for Social Advancement (REFSA)
32. Residents Association Section 5 PJ
33. Selangor and Federal Territory Consumers' Association
34. Sisters in Islam (SIS)*
35. Socio-economic and Environmental Research Institute (SERI)
36. Transparency International Malaysia
37. United Voice (UV)
38. Writers Alliance for Media Independence (WAMI)
39. Yayasan Kajian dan Pembangunan Masyarakat (YKPM)
40. Yayasan Salam
41. Yayasan Strategik Sosial (YSS)
42. Youth for Change (Y4C)

* This organisation does not necessarily agree with all statements contained within the Merdeka Statement.