



**RULE OF LAW
LIMITED GOVERNMENT
FREE MARKET
INDIVIDUAL LIBERTY**

IDEAS is doing its best to keep the ideals of Tunku Abdul Rahman, Malaysia's first prime minister, relevant today.

Special report on IDEAS in The Star, 13 February 2011

"...IDEAS will become important partners for the government in our effort to transform the country to be a developed high income nation by 2020"

TAN SRI MUHYIDDIN YASSIN

Deputy Prime Minister, Keynote Speech at National Conference on Public Private Partnership in the School System, 31 May 2011

"... Healthy and positive suggestions put forward by IDEAS... should be accepted and viewed with an open mind."

TAN SRI ABU ZAHAR UJANG

President of the Dewan Negara, Parliament of Malaysia, in IDEAS' paper on Dewan Negara Reform

Three young men have formed an independent think-tank called IDEAS. Its cross-partisan leadership is one of the more intriguing aspects of IDEAS; another is that it promotes a libertarian free-market ideology that is almost entirely unfamiliar to Malaysians... For a young think-tank, IDEAS has drawn a lot of attention since it was set up in February last year.

Special report on IDEAS in Singapore's Straits Times, 21 September 2011

IDEAS was ranked as the 13th best new think tank in the world in the 2011 global think tank ranking by the University of Pennsylvania

About IDEAS

IDEAS is inspired by the vision of Tunku Abdul Rahman Putra al-Haj, the first Prime Minister of Malaysia, and we share his vision as stated in the 1957 Proclamation of Independence that this nation should:

“be for ever a sovereign democratic and independent State founded upon the principles of liberty and justice and ever seeking the welfare and happiness of its people and the maintenance of a just peace among all nations”

IDEAS is Malaysia's first think-tank dedicated to promoting market-based solutions to public policy challenges. We are an independent not-for-profit organisation. As a cross-partisan think tank, we work across the political spectrum. Our purpose is to advance market-based principles, and we are not bound by party politics, race or religion.

Our mission is to improve the level of understanding and acceptance of public policies based on the principles of rule of law, limited government, free markets and free individuals.

We achieve this mission through:

- Research
- Publication of reports and books
- Seminars, discussions and short courses
- Briefings for politicians, policy-makers and corporations
- Media engagements

IDEAS' commitment to quality continues to receive international recognition. On 18 January 2012, we were announced as the 13th best new think tank in the world (up from 18th in 2010) in a survey of 6,545 think tanks from 182 countries.

Wau Bebas Logo

IDEAS' logo is the wau bulan that flies freely in the sky – hence its name “Wau Bebas” or the Kite of Freedom.

The traditional Wau Bebas motif symbolises IDEAS' belief that the principles of Rule of Law (Kedaulatan Undang-Undang), Limited Government (Kerajaan Terhad), Free Markets (Pasaran Bebas), and Free Individuals (Individu Merdeka), are deeply

rooted in our nation's tradition and heritage. A wau is only complete and functional when it is rooted to the ground via a string, depicting our call for abidance to the rule of law within a small, limited state.

Our task is to rediscover these truly Malaysian values and to re-present them to contemporary Malaysian society so that our history and heritage will help us prosper in a globalised world.



The Team

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Dato' Dr Khoo Kay Kim
YBhg Datuk Seri Azman Ujang
YBhg Dato' Dr Michael Yeoh
Mr Edmond Yeo JP

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*Vice President, Research,
Reason Foundation*
Dr Tom G Palmer,
*Vice President, Atlas Economic
Research Foundation*
Dr Mark Pennington,
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Linda Whetstone,
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Munirah Hayati Muhtar,
Programme Officer
Mohamad Naim Ahmad,
Executive

Senior Fellows, Fellows and Associates

Professor Abdul Aziz Bari,
Senior Fellow
Professor James Chin,
Senior Fellow
Barun Mitra,
Senior Fellow
Dr Helmy Haja Mydin,
Fellow
Hafiz Noor Shams,
Fellow
Wan Hamidi Hamid,
Fellow
Keith Leong,
Fellow
Noor Amin Ahmad,
Fellow
Jeevan Rasanayagam,
Associate
Wan Fadzrul Wan Bahrum,
Associate

Interns this year

Aizuddin Anuar
Cato Wong
Nesha Armo
Aidan Chan

CELEBRATING ALMARHUM TUNKU ABDUL RAHMAN'S BIRTHDAY AND IDEAS FIRST ANNIVERSARY

8 February 2011

To commemorate the 108th birthday of Almarhum Tunku Abdul Rahman Putra Alhaj, Malaysia's first Prime Minister, and to celebrate IDEAS' first birthday, we held a major event at Memorial Tunku Abdul Rahman Putra, Kuala Lumpur.

The event was graced by Tunku Abdul Rahman's family members,

including YTM Tunku Khadijah Tunku Abdul Rahman and YTM Tunku Ahmad Nerang Tunku Abdul Rahman.

Former Minister of Information, Tan Sri Datuk Seri Panglima Abdul Kadir Sheikh Fadzir delivered a keynote speech on the values of Tunku Abdul Rahman that IDEAS is

committed to reviving, and this was followed by a panel discussion on the New Economic Model.



Speakers for panel discussion on New Economic Model: from left Wan Saiful Wan Jan, Woon King Chai (student leader), Datuk Dr Zainal Aznam Yusoff (NEAC), Chris Tan (PEMANDU) and Tengku Dato' Zafrul Aziz (Maybank IB)



Tunku Khadijah Tunku Abdul Rahman and Tunku 'Abidin Muhriz



Tunku Ahmad Nerang, Tunku Khadijah and Tunku 'Abidin cutting the cake marking Tunku Abdul Rahman's birthday



Audience



Tan Sri Kadir Sheikh Fadzir giving his speech



VIP guests



Press Conference

IDEAS BOOK LAUNCH

A special fundraising event was held on 17 March 2011 to launch 'Abiding Times', a book by IDEAS President Tunku 'Abidin Muhriz. The event was held at Carcosa Seri Negara, and was graced by DYMM Tuanku Muhriz ibni Almarhum Tuanku Munawir and DYMM Tuanku Aishah Rohani Tengku Besar Mahmud.





The Launching of 'Abiding Times'

INFLUENCING POLICY



'IDEAS has been able to provide Malaysians with fresh perspectives on a host of issues with intellectual depth imbued with the values enshrined in our Constitution and culture. Indeed IDEAS is fast becoming a respected public intellectual organisation.'

YB DATO' SAIFUDDIN ABDULLAH

Deputy Minister of Higher Education and UMNO Supreme Council member

Engaging and influencing policy-makers from both sides of the political divide continue to be our top priority. In addition to events and meetings that we organised, we took part in various policy discussions and we also presented our thoughts in seminars and conferences.

Two notable engagements were:

- We made a presentation to a meeting on Budget 2012 chaired by Prime Minister YAB Dato' Sri Najib Tun Razak, and attended by Dato Seri Husni Hanadzlah, Minister of Finance II.
- We also provided inputs to the Islamic Party of Malaysia (PAS) when they were formulating their concept of 'Caring Nation' (Negara Berkeadilan).



With Prime Minister Najib Razak after Budget 2012 consultation meeting



Participants at PAS national conference on welfare



Seminar on the role of religious institutions to help the poor with Dr Juanda Jaya (Mufti of Perlis) and Rev Dr Hermen Shastri (Gen Sec, Council of Churches)



Event with Pakatan Rakyat party leaders



Roundtable on Malay Agenda at Universiti Malaya



Speakers at policy workshop with PAS leaders



Panel discussion on Budget 2012

TRANSFORMING SCHOOLS



'IDEAS akan menjadi rakan kongsi penting kerajaan dalam usaha mentransformasi negara kita untuk menjadi sebuah negara maju dan berpendapatan tinggi menjelang tahun 2020.'

TAN SRI MUHYIDDIN YASSIN

Timbalan Perdana Menteri, 31 Mei 2011

Transforming the school system was our key agenda for 2011. In particular, we focused on how the private sector can be more involved in delivering high quality education through models such as public-private partnership (PPP). We also started exploring the feasibility of a low-cost model for private schools and ensuring the underprivileged have access to quality education.

We held a successful conference in partnership with Razak School of Government, CfBT Education Trust, PEMANDU and Yayasan AMIR on 31 May 2011 on "Public Private Partnership in the School System". The Deputy Prime Minister delivered a keynote speech. Other speakers included Norman LaRocque (Asian Development Bank) and Shahnaz AlSadat (Khazanah Nasional Berhad). The conference was followed by three

intensive workshops for invited officials from the Ministry of Education and other agencies. We hosted international experts such as Harry Patrinos (World Bank) and Laura Lewis (CfBT) in the workshops. We also published two research papers on education in 2011.

Our effort was boosted significantly when we received a seed grant to start an education unit within IDEAS.



Participants of IDEAS workshop at the Razak School of Government with Harry Patrinos (World Bank) and Laura Lewis (CfBT Education Trust)



Norman LaRocque (Asian Development Bank) speaking at education conference, 31 May 2011



IDEAS work visit to low-cost private school in New Delhi, February 2011

Conference on 31 May 2011 on "Public Private Partnership in the School System".



IDEAS education network meeting, October 2011

Harry Patrinos (World Bank) and Laura Lewis (CfBT) at workshop for Ministry of Education officials, June 2011



'IDEAS is putting Malaysia at the forefront of thinking about educational reform. CfBT is one of the leading agencies on school improvement in the world and IDEAS has become an important partner, both intellectually and in terms of practical advice on the education system in Malaysia. I congratulate the IDEAS team on their enterprise.'

NEIL MCINTOSH, Chief Executive, CfBT Education Trust, UK

REGIONAL CONFERENCE ON ECONOMIC FREEDOM



'I commend IDEAS for the work they have done to promote economic liberalism in Malaysia. Our Prime Minister is pushing for greater liberalisation and I hope we can work together to ensure the success of this important agenda'

YB TAN SRI KOH TSU KOON

Minister in the Prime Minister's Department and President of Gerakan Party

IDEAS co-hosted the Economic Freedom Network Asia's Regional Conference on "Competition: Engine for Prosperity" on 11-12 October 2011 with Friedrich Naumann Foundation for Freedom and Centre for Public Policy Studies.

In partnership with Canada's Fraser Institute, IDEAS also launched the Economic Freedom of the World Annual Report (Malaysian edition) 2011 at this conference. The report contains a global index ranking countries around the world based on policies that encourage economic freedom.



Participants at the Economic Freedom Network Asia's Regional Conference on "Competition: Engine for Prosperity" on 11-12 October 2011



IDEAS Advisor Dr Tom G Palmer giving a talk



Prize giving ceremony to winners of essay competition



Tunku 'Abidin Muhriz delivering keynote address



Participants and speakers at the conference

UPSKILLING POLITICIANS



'Policies - right, left or centrist - have often been pushed to the backburner in Malaysian politics. I congratulate IDEAS in playing a key role to get policies back to the forefront.'

YB NIK NAZMI NIK AHMAD

Selangor State Legislative Assembly Member & Director of Communications for National Justice Party (PKR)

We started conducting training workshops on rule of law and constitutionalism for state politicians from various political parties in 2010, and these workshops proved to be very popular. We continued the one-day workshops in 2011 at another five locations, maintaining the focus on political leaders at state level.

We successfully attracted the participation of 224 politicians and state party leaders.

Renowned constitutional expert and IDEAS Senior Fellow Professor Abdul Aziz Bari conducted most of the workshops.

The workshops were held in:

- Selangor on 16 July 2011
- Johor on 30 July 2011
- Sarawak on 13 August 2011
- Sabah on 19 November 2011
- Negeri Sembilan on 29 November 2011



Bangi, Selangor. 16 July 2011



Bintulu Sarawak,
13 August 2011



IDEAS workshop on constitutionalism for state-level politician

INFLUENCING PUBLIC OPINION



'The Institute for Democracy and Economic Affairs (IDEAS) is a valuable organisation that seeks to promote free market principles for policy in Malaysia and the broader Asia region.'

DR JEFFREY GEDMIN

President and CEO of the Legatum Institute, London

We organised 6 public lectures and spoke at another 24 seminars and conference organised by others in various places across Malaysia. We estimate that we engaged with at least 3000 people in total through these 30 events.

We also organised an IDEAS seminar series themed "Understanding Economic Liberalisation" in six different universities. The series was launched by YB Dato' Saifuddin Abdullah, Deputy Minister of Higher Education, on 25 January 2011.

More than 600 students and lecturers attended these seminars which were held at:

- Universiti Kebangsaan Malaysia
- Universiti Malaya
- Universiti Putra Malaysia
- Universiti Utara Malaysia
- Nottingham University Malaysia
- International Islamic University Malaysia



YB Dato Saifuddin Abdullah, Deputy Minister of Higher Education, launching IDEAS seminar series for university students











RESEARCH AND PUBLICATIONS



'The study by the Institute for Democracy and Economic Affairs (IDEAS) into ways of improving the livelihoods of Malaysian farmers through modern technology in agriculture is vital and laudable.'

TUN ABDULLAH BADAWI

Malaysia's fifth Prime Minister,
commenting on IDEAS' study on modern agrotechnology, April 2011



Combating Fake Drugs in Malaysia

Co-authored by IDEAS Fellow
Dr Helmy Haja Mydin.



Economic Freedom of the World: Annual Report 2011

By Fraser Institute
Published in partnership with IDEAS,
FNF and CPPS



Malaysia's New Economic Model: Is the Malaysian government serious about economic liberalisation?

By Wan Saiful Wan Jan
Published by FNF



Choice, Competition and the Role of Private Providers in the Malaysian School System

By Tunku 'Abidin Muhriz, Afif
Abdullah, and Wan Saiful Wan Jan
Published by CfBT Education Trust.



Enhancing the Role of the Private Sector in Education

By M Bakri Musa
Foreword by Wan Saiful Wan Jan



Modern Agrotechnology and Subsidies in Malaysia: Are We Using Them Wisely?

By Wan Saiful Wan Jan
Foreword by Tun Abdullah
Ahmad Badawi



International Property Rights Index 2011

By Property Rights Alliance
 Launched in Malaysia by IDEAS



The Tunku's Great Ideas

By Lenard Lim Yangli
Foreword by Tunku 'Abidin Muhriz



Value Dream Ideals: Muslim Youth in Southeast Asia, Surveys in Malaysia and Indonesia

Co-authored by Tunku 'Abidin Muhriz

REACHING THE MASSES



'I have been impressed with the team in IDEAS – confident, intellectual, progressive, engaging and friendly. You have discussed sensitive issues in a calm, rational and constructive way bringing different sections of Malaysian society together.'

DATUK DR DENISON JAYASOORIA

Principal Research Fellow, Institute of Ethnic Studies (KITA),
Universiti Kebangsaan Malaysia (UKM)

2011 was another good year for us in terms of engaging with the press, and we must thank the respective editors and journalists. During the year, we achieved the following:

- TV and radio
 - interviewed in TV and radio 40 times
 - was quoted in the broadcast news 57 times
 - in total we were in the broadcast media for 17 hours and 51 minutes
- Printed press and online media
 - 102 opinion articles printed
 - Mentioned 646 times in various printed news reports

In total, we generated PR Value* worth RM34 million (USD11.3 million) in 2011, which, for a small start-up entity is a staggering amount.

Among the publications that featured or quoted us in 2011 were:

- The Economist
- Singapore Straits Times
- Jakarta Globe
- Utusan Malaysia
- The Star
- The Edge
- The Sun

We also maintained regular columns in:

- The Star (printed edition)
- The Star (iPad edition)
- The Edge
- Harakah
- The Malaysian Insider
- The Sun

* PR Value is a measure of the value of appearances in the media

Early life of an Umno leader



ACTIVITIES IN INDONESIA



'The young founders of IDEAS are a sign of the times when old ideas have grown stale. Their refreshing work is part of the strong winds of change blowing through the country and the region.'

DR OOI KEE BENG

Deputy Director, Institute of Southeast Asian Studies (ISEAS), Singapore

Our partnership with Indonesia's Freedom Institute resulted in a series of successful activities across the Straits of Malacca. In 2011, two Akademi Merdeka residential schools were held targeted specially for Indonesian youth leaders. A total

of 54 participants took part in these 3-day residential courses which introduced them to the morality of free market and liberalised economy.

A further six seminars were also held to ensure continuous engagement and capacity building.





FINANCE

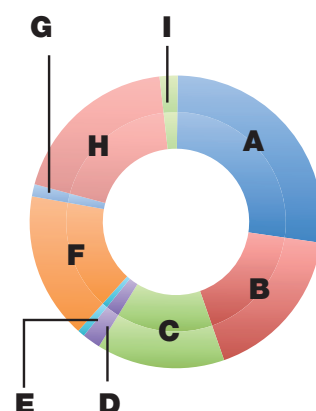
Unaudited income and expenditure reports as at 31 December 2011

INCOME

RM

A Atlas Economic Research Foundation (USA)	201,145.11	27%
B Friedrich Naumann Foundation for Freedom (Germany)	129,015.67	17%
C CfBT Education Trust (UK)	105,085.58	14%
D Network for Free Society (UK)	14,965.02	2%
E Property Rights Alliance (USA)	5,934.55	1%
F Corporate donation for education research (Malaysia)	120,000.00	16%
G Yayasan Tun Sufian (Malaysia)	10,000.00	1.3%
H Local donations and other income (Malaysia)	151,447.30	20%
I Publications income (Malaysia)	14,802.00	2%

Total Income	742,395.23	100%
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EXPENDITURE

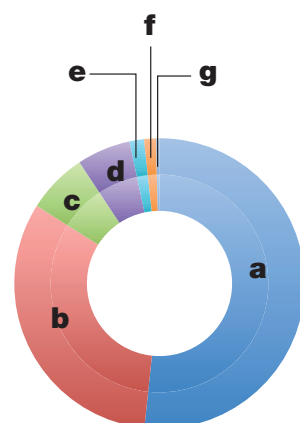
RM

a Salaries, allowances and related staffing costs	330,507.43	52%
b Direct projects costs	206,711.06	32%
c Premises and utilities	43,077.05	7%
d Operations	38,229.10	6%
e Accountant, company secretarial, legal	10,304.00	2%
f Equipment, computers, IT	8,406.00	1%
g Depreciations	2,512.04	0%

Total Expenses	639,746.68	100%
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SURPLUS BROUGHT FORWARD

102,648.55



Note:

1. As our financial year ends on 31 December, our audited accounts will be published in April.
2. The bulk of the surplus is restricted to education research project.

BOARD STATEMENT



Photo courtesy of
Tatler Malaysia

**Wan Mohd Firdaus
Wan Mohd Fuaad**

Wan Saiful Wan Jan

**Tunku Zain Al-'Abidin
Ibni Tuanku Muhriz**

2011 is only our second year, but we have made significant strides to position IDEAS as a key player in the Malaysian intellectual scene. We are certainly pleased to be announced as the 13th best new think tank in the world by the global think tank ranking published by University of Pennsylvania in January 2012.

The structure of our funding continues to be our biggest obstacle. It is normal for institutional funders to only fund specified projects. Unfortunately for us, that also means we do not have the flexibility to allocate resources to pertinent issues as they arise. Clearly, moving forward, we need to raise more funding that are more flexible.

We have been successful at making first steps to create specialisms in IDEAS. We started 2011 with an ambition to focus on school transformation. With support from CfBT Education Trust, Razak School of Government, Yayasan AMIR and

PEMANDU, we have been able to do more activities in this field. We have also taken the first steps towards creating a specialised unit in IDEAS to focus on education policy.

2011 also saw IDEAS officially becoming registered as Company Limited by Guarantee. On 15 April 2011, after waiting 15 months (and many angry phone calls), the Registrar of Companies formally approved the registration of the "Institute for Democracy & Economic Affairs Berhad" with company registration number 940689-W. As a not-for-profit entity, we had the choice of using either the word "Yayasan" or "Institute" in our name, and we chose the latter. We hope to get a tax-exempt status soon.

We are very proud to see individuals in IDEAS playing bigger roles nationally and internationally. This year saw Tunku Zain Al-'Abidin Muhriz becoming a Fellow in the CIMB ASEAN Research Institute (CARI). Tunku 'Abidin has also been

appointed into various foundations and musical organisations. Wan Mohd Firdaus continues to lead Young Corporate Malaysia and Najib Razak Club. He was also appointed into the Board of Kulim Malaysia Berhad and Damansara Realty Berhad, two Malaysian corporate giants. IDEAS Fellow Noor Amin Ahmad continues with his position at the Selangor Chief Minister's Office. Wan Saiful Wan Jan was accepted as a member of Mont Pelerin Society, becoming the only Malaysian to be a member of this prestigious association. He was also appointed as Vice President of the Istanbul Network for Liberty.

Of course, we would not achieve anything without the strong support we received from our funders, advisors and partners. We remain forever indebted to everyone who supported us, and we hope more people will help us in our work in the future.

2 *Residential Courses*
 2 **Major Conferences**
 6 **STUDENT SEMINARS**
 30 *Public Events*
 3 **Educational Workshops**
 224 **POLITICANS TRAINED**
 6 *Student Seminars*
 40 **TV and Radio Appearances**
 102 **articles in newspapers**
 646 **QUOTED**
 9 **RESEARCH PUBLICATIONS**
 The **13** **TIMES IN PRESS**
th BEST NEW THINK TANK IN THE WORLD



Institute for Democracy and Economic Affairs (IDEAS)

D6 Taman Tunku, Bukit Tunku
 50480 Kuala Lumpur
 Malaysia
 Reg no: 940689-W

Tel +60 3 6201 8896 / 8897
 Fax +60 3 6211 0222
 email admin@ideas.org.my
www.ideas.org.my