

SUMMARY: YOUTH SUMMIT 2023

October 3rd, 2023



Malaysian Institute of Economic Research



The Youth Summit 2023 organised on 3rd October 2023 is the first youth program organised by the Malaysian Institute of Economic Research (MIER). The event was aimed at providing a platform for university students and young adults to gather and engage with one another on issues most pressing to their generation. This year, the summit's central theme revolved around the recently introduced 'Madani Economy'. Approximately 30 participants attended the summit, including student bodies, young working adults, delegates from non-governmental organizations and university students.

The summit consisted of two main segments: a youth dialogue and a debate showcase. For the youth dialogue, speakers from various professional backgrounds will participate in talks about "Youth Hopes and Aspirations for the Madani Economy". Meanwhile, the debate showcased by the students' debate club from UITM and IIUM would centre on the motion: "This house believes that the Madani Economy framework is realistic for Malaysia's future."



Youth Dialogue:



The youth dialogue at the MIER Youth Summit centered around the "Madani Economy" concept. In this dialogue, Mr Jonathan Dason (Schwarzman Scholar 2023) was the moderator alongside three panellists: Mr Ooi Tze Howe (President of Higher Education Malaysia Association), Mr Afiq Fauzi (Senior Associate of Teach For Malaysia) and Ms. Thamini Vijeyasingam (Chief Executive Director of International Council of Malaysian Scholars).

The youth dialogue explored three key areas which are summarized below:

SCOPE	ISSUES	ELABORATION
Youth Employment	Entrepreneurship as an Option	Entrepreneurship was presented as an alternative to regular employment by the speakers. They stressed the relevance of the startup culture and the availability of incubators and accelerators for startups. However, not all entrepreneurs will succeed, and not all will be able to scale their enterprises to become high-value corporations or even unicorns. Lack of capital and a competitive market are the barriers to the emergence of successful entrepreneurs among young people. While entrepreneurship was encouraged, it was also acknowledged that it should not be viewed as the primary solution to youth unemployment. A more complete approach, which included promoting other work options and tackling issues such as underemployment and skill development, was also deemed important.

	Skills and Underemployment	The dialogue turned to the issue of underemployment, where individuals may be employed but not in roles that fully utilize their skills or qualifications. This was attributed to a skill mismatch problem among youth employment and youth are pressured to continuously upgrade or attain more credentials that are outside of their educational attainment to compete in the current job market.
	Upskilling through Micro-Credentials	In the light of a competitive employment market, students and young adults were urged to pursue micro-credential courses. Youth were also urged to take advantage of opportunities and intern in organizations where they can obtain valuable experience for their future careers. The conversation also noted that, while the gig economy gives flexibility and may bring job opportunities, it has its risks because the gig economy may become oversaturated and workers are not comprehensively protected by social security.
	Job Opportunities	The need to establish meaningful wages was addressed by the panellists. Malaysia's strong reliance on low-skilled foreign labour has an impact on the Malaysian wage structure. The government must establish real job opportunities and compensation to avert brain drain and keep our young people's brilliance.
Education	Transparency and Data	Malaysia has many good blueprints for improving the education system. However, the challenge of creating quality graduates who satisfy industry needs is also related to policy execution. To properly implement education policy, government organizations, educational non-profits, and corporations require greater transparency of the education system, particularly in terms of classroom assessments and overall educational quality. This is because having access to reliable data would aid in spotting gaps and making informed decisions.
	STEM Education and Upskilling	STEM education was discussed as essential for preparing students with 21st-century skills. However, there was concern that the enrollment in STEM programs was low and needed to be increased. Youth are also inclined to be social media influencers because it gives instant gratification rather than studying and/or working long hours.

Support for Non-Tertiary Education

The discussion touched on individuals who did not pursue tertiary education. It was suggested that career development and skill enhancement opportunities should be provided to them, offering alternatives beyond manual labour jobs.

Informal Education and Skills Development

Practical experience, internships, and joining student organizations were all emphasized. Youth should not rely too heavily on the gig economy to support their lifestyle, and also should not dismiss labour-intensive or manufacturing jobs. This is because working in a labour-intensive factory can provide workers with opportunities and training to upskill and possibly attain managerial roles. This is in contrast to being a Grab driver, where upskilling is impossible and working 10 years as a Grab driver does not guarantee a position as a Grab driver manager.

Internships

- Not every Malaysian youth can afford an internship with a minimum income of RM1000. Even if they do, the compensation of an internship, especially in big cities like Kuala Lumpur, is insufficient to cover students' living expenses. In addition to the high cost of living, it is difficult for their East Malaysian peers to obtain internships in large corporations, which are mostly based in Kuala Lumpur. Even if students from West Malaysia can acquire internships at big companies in big cities, the cost of rent (RM400-500) will devour about half of their internship earnings.
- Value-Based Pay for Interns: The idea of value-based compensation for interns was discussed. If an intern delivers value to the company comparable to that of a regular employee, they should be compensated accordingly. This shifts the focus from a fixed internship stipend to a more performance-based approach.

Acquiring practical experience

Student organizations and internships are commended for providing hands-on experience and leadership opportunities for students. These experiences were seen as valuable for personal growth and enhancing one's CV. Students can showcase and demonstrate the soft skills they obtain from such experience to convince future employers of their employability.

	Access to Online Resources	The overwhelming availability of online resources for education was acknowledged. Student organizations were seen as beneficial in curating and organizing these resources, making it easier for students to access valuable content.
Urbanization and Housing	Living with Parents	In many Asian cultures, living with parents is not stigmatized. This practice is considered practical, especially for young adults, given the high living expenses in urban areas. It's often seen as a way to save money and establish financial stability before moving out.
	Digital Literacy	The importance of education in developing digital literacy is critical, especially in the context of remote working. Individuals must have a certain level of digital literacy to take advantage of remote employment opportunities, which the education system should ideally convey. However, due to the digital divide, some Malaysian youths may not achieve comprehensive digital literacy.
	Remote Work Opportunities	The COVID-19 pandemic demonstrated the value of remote work. Many businesses recognized that staff might efficiently work from home. Furthermore, because the Madani framework promotes inclusivity, it is important to provide employment options for people living outside of urban regions. Remote work can also help to alleviate the effects of urbanization.
	Housing Challenges	Housing affordability is a significant concern among youth, especially in urban areas. The discussion suggested that the Madani framework should address this issue by focusing on rental accommodation, housing solutions, and making housing accessible to various income groups. It was stressed that the 10-year goal of the Madani framework should also provide meaningful wages so people can have affordable and decent housing.
	Transit Homes and Youth Rentals	The conversation touched on potential solutions, such as transit homes for temporary accommodation and affordable rentals for youth. These initiatives aim to provide housing options to those who cannot afford permanent residences.

Q&A Session during the youth dialogue:

In the Q&A session, two key questions were addressed by the panellists:

Degrees Certificates vs. Micro-Credentials

The first question was on the value of traditional degrees versus micro-credentials in today's job market. The topic posed was whether micro-credentials would be more valuable when firms hunt for specialized abilities rather than degree holders. The panellists discussed this topic and underlined that degrees bring not just abilities but also branding and commitment. While some businesses already provide on-the-job training and professional certifications, it is critical to examine the overall benefits of formal education and informal education (micro-credentials). A degree certificate also exposes students to extracurricular activities, networking, and the exchange of ideas with other students. Thus, ignoring the significance of degree certificates wholly should be avoided.

Years of working experience vs. Education attainment

The question was raised as to whether organizations could absorb students with years of working experience rather than degree holders. The panelists stated that some professions such as accountancy, require professional certificates and a certain level of education attainment. Hence, it is important to have such formal qualifications even though one has experience. On the other hand, there are companies which are not very concerned about working experience.

Debate Showcase:



The second segment of the Youth Summit 2023 was a debate showcase. In this session, 2 debate student teams from UiTM (Universiti Teknologi MARA) and IIUM (International Islamic University Malaysia) presented their arguments on the notion of “This House Believes that Madani Economy Framework is Realistic for Malaysia’s Future”.

The debate team from UiTM represented the government, while the debate team from IIUM represented the opposition. To judge the performance of each debate's team, MIER's Senior Research Fellow, Dr Shankaran Nambiar, and MIER's Non-Resident Senior Research Fellow, Professor Dr. Geoffrey Williams were present. In addition, MIER invited Mr. Qarrem Kassim from ISIS Malaysia (Institute of Strategic and International Studies) was also presence to evaluate the debate showcase.

Our young debaters covered a wide range of topics, including education, urban and rural development, sustainability, and employment. Both debate teams provided well-thought-out arguments, facts, and logic to sway their opponents.

Nonetheless, the panel of judges unanimously decided that [the IIUM students, Wan Nor Atifa, Munirah, and Anas Ahmad Zaharim were the better team.](#) It was also decided that the best debater was [Syafiq Razak](#) of the UiTM debate team.

MIER extends its heartfelt congratulations to the winners. These young debaters of both teams showed amazing competence and confidence in presenting their positions and opposing their opponents. The young debaters also had established a high standard for others in policy discourse to follow. MIER hopes that the youth will continue to excel in their future endeavours and bring more laurels to the country.

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About MIER

The Malaysian Institute of Economic Research undertakes independent and high-quality problem-oriented research on economic, financial and business issues facing the country and provides advice on macroeconomic management, development and future economic perspectives.

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