

# YOUR OPINION

BUDGET 2026 unequivocally signals Malaysia's all-in strategy on artificial intelligence (AI), positioning it as a core pillar of our national future. The financial commitments are broad and substantial, spanning a nearly RM5.9bil allocation for cross-ministry research and development, a RM2bil sovereign AI cloud, and various funds to spur industry training and high-impact projects.

This ambition is commendable, but ambition, even when well-funded, is no guarantee of success. The critical question now shifts from "what" to "how", and is in the execution where our grand vision will either take flight or falter.

A central pillar of Malaysia's AI strategy is the National AI Office (NAIO), and its RM20mil allocation is a welcome start. The challenge ahead is not a lack of commitment from our various ministries and agencies, which are already pursuing valuable AI initiatives. Rather, it is the risk of fragmentation.

To transform these individual efforts into a powerful, cohesive national programme, NAIO's role must evolve beyond coordination to strategic command. This does not mean replacing the excellent work being done, but empowering NAIO with a cross-ministry portfolio view to prevent redundancy, harmonise standards, and ensure every ringgit of public funds is maximised.

By creating a central registry of government AI projects and a single outcomes framework, we can amplify the impact of each agency's work, ensuring that parallel efforts are converted into a unified, national success story.

Similarly, the budget's emphasis on talent development is rightly placed. But training more AI graduates is only half the

## Making Malaysia's AI budget deliver



Photo: Filepic/The Star

equation; we must ensure our industries are ready to integrate them effectively.

Simply funding courses is not enough. We should consider making training grants conditional on tangible outcomes: verified industry placements for graduates; a focus on open, cross-platform tools to avoid proprietary lock-ins; and requirements for short, in situ implementation cycles with documented results. This ensures we are building a workforce for the real world, not just for the classroom.

The budget's focus on sovereignty, marked by the launch of the ILMU (Intelek Luhur Malaysia Untukmu, or Malaysia's Intellect for You) large language model and the sovereign AI

cloud, is a laudable inflection point.

But true sovereignty is not merely about where data resides; it is about who sets the algorithmic and access rules that govern it. The devil, as always, lies in the details. Who will decide which datasets are hosted? How will computing resources be priced for local firms? And most importantly, what are the adoption mechanisms that will compel ministries and small and medium enterprises (SMEs) to actually use it? Without clear answers and a robust adoption strategy, even a sovereign cloud risks becoming an impressive but idle monument – a white elephant of good intentions.

One of the budget's most pres-

cient moves is tasking Mimos with deepfake detection. (Mimos stands for the Malaysian Institute of Microelectronic Systems, the national applied research and development centre for innovation.)

This is not a trivial matter; it is a direct response to a clear and present threat. Over the past three years, authorities have had to request the take down of over 40,000 pieces of AI-generated disinformation. The shocking case in Kulai, Johor, where a teenaged student allegedly used AI to create explicit deepfakes of schoolmates, brings this danger into sharp focus. This initiative is a crucial and necessary step towards safeguarding our national security and public safety.

Budget 2026 has laid the financial groundwork. It has signalled Malaysia's intent to the world. If we are to truly become an AI nation by 2030, the focus must now pivot from macro announcements to micro-implementation. The next budget must not only allocate for global data centres and grand projects, but for the hard, unglamorous work of driving local AI adoption across our SMEs and public services. That is the true measure of a national programme.

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## How to turn disaster prevention into policy

MALAYSIA'S Budget 2026 is most meaningful when viewed through the lens of the International Day for Disaster Risk Reduction (IDDRR), observed every Oct 13. IDDRR urges countries to shift from reacting to disasters to reducing risk before hazards strike. Budget 2026 begins to speak that language by prioritising prevention, early warning, and coordination. The task now is to turn these allocations into visible results that protect lives, livelihoods, and public services.

First, prevention must come before cleanup. Floods, landslides, coastal erosion, and urban drainage failures impose losses far beyond damaged homes. They disrupt classrooms, delay medical care, and break SMEs (small and medium enterprises) cash flow.

Budget 2026's focus on high-risk basins and drainage upgrades should reduce repeat losses, especially where communities face seasonal inundation. The economic case is clear: money spent upstream often saves multiples downstream.

Second, warnings must reach people in time and in a form they can use. Strengthening nationwide early-warning capability is not just a technology exercise. It requires last-mile delivery that works for households, schools, clinics, and small businesses. Cell broadcast, redundancy, and clear messaging help only if families know what to do at 48 hours, 24 hours, and six hours before a predicted event.

Budget resources for alerting should be matched with simple household checklists, go-bag preparation, and neighbourhood buddy systems for the elderly and disabled.

Third, disaster governance is as important as concrete. Better incident command, interagency drills, stockpiles, and fast information flows can shorten downtime even when hazards cannot be avoided.

Funding for national and state coordination should come with routine exercises, clear roles, and public after-action reviews. Good governance reduces chaos, speeds recovery, and builds trust.

To embed a disaster risk reduction mindset, four practical steps can help.

> **Make risk visible:** Local authorities can publish simple flood and slope maps, update them after each season, and display evacuation routes at community halls.

> **Turn early warning into early action:** Schools and clinics can adopt brief drill routines so alerts translate into movement, not confusion.

> **Protect critical local services:** Facilities should audit backup power, fuel, and spare parts, and elevate essential equipment before the monsoon. Measure what matters and publish it.

> **Track a handful of indicators monthly:** Drains cleared, warning tests completed, time to restore clinics and schools, and households reached within target times.

There is also a role for the private sector and households. Banks and insurers can reward verified mitigation with better terms. Developers can follow risk-sensitive planning so new

projects do not create new hazards. Companies can pre-position supplies in logistics-fragile areas and join coordinated response networks. These actions complement the public budget and lower the long-run cost to taxpayers.

The International Day for Disaster Risk Reduction is not a slogan. It is a yearly reminder that resilience is built before storms arrive. Budget 2026 points in the right direction by investing in mitigation, warning, and governance.

Success will be measured by shorter clinic waiting times after events, fewer school days lost, quicker reopening of small businesses, and less damage where floods used to be routine. If we deliver on these outcomes, Malaysia will move from paying for disasters to preventing them, and from fear to confidence.

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## The type of leadership needed during a crisis

MALAYSIA is fortunate to lie outside the Pacific Ring of Fire, sparing us from volcanic eruptions. Yet we are not immune to natural disasters – particularly floods.

Each year, many states across the country endure severe flooding, displacing thousands and disrupting both rural and urban communities. These events unsettle the social and organisational fabric of the rakyat, demanding swift and compassionate leadership.

In times of crisis, what the nation needs most are ethical leaders – individuals who embody integrity, authenticity, and compassion. Leaders at every level – district, state, and federal – must ensure that the rakyat are not left to fend for themselves. They must be present, proactive, and principled, placing the needs of the people above all else.

True leadership during disasters goes beyond distributing aid. It requires clear communication, emotional intelligence, and genuine support. Leaders must collaborate closely with agencies like the National Disaster Management Authority to deliver coordinated and effective assistance. They should serve not only as administrators but also as motivators and educators.

Preparedness is the rakyat's strongest defence. Leaders must take an active role in educating communities on the necessary steps to take before, during, and after floods. This includes practical guidance – such as disconnecting utilities and appliances before evacuating to higher ground – to minimise risk and ensure safety.

Flood management encompasses four critical phases: prevention, mitigation, response, and recovery. Each phase demands strong leadership and shared responsibility among government agencies. Infrastructure development – such as flood-retention ponds, improved drainage systems, and mitigation projects – must be guided by visionary leadership committed to long-term resilience.

Finally, we must recognise the importance of a robust information system. Timely, accurate data empowers the rakyat to adapt to uncertainty and facilitates a smooth transition toward restoring order.

In every crisis, leadership is not just about managing the moment – it is about inspiring trust, building resilience, and safeguarding the future.

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