

# In Memoriam

## Latifah Merican Cheong

**Rajah Rasiah, Cheong Kee Cheok and Norman V. Loayza**

Born in Air Itam, Penang, Malaysia, the late Latifah Merican Cheong who passed away on 22 June 2018 was a beacon of monetary policy in Malaysia. Her early schooling was at Convent Pulau Tikus, Penang until Form 5 and Methodist Boys School where she finished her Form 6 before completing her first degree at the University of Malaya in 1973, and master's degree at Vanderbilt University in 1979. It is while studying at the University of Malaya that she met her husband, Cheong Kwok Yew who was two years her senior at the Faculty of Economics and Administration.

Exposed to economics from her undergraduate and graduate studies, and later groomed by the heavyweights of Malaysian monetary economics, six Bank Negara Malaysia (BNM) Governors, including Tun Ismail Ali and Tan Sri Zeti Akhtar Aziz, and her former superiors, Tan Sri Lin See Yan and Tan Sri Andrew Sheng, Latifah Merican Cheong rose to lead public interventions to correct market failure and establish alternative mechanisms where markets were missing. Her devotion to honesty saw her building transparent and clean institutional structures. Her conviction to society saw her working long hours, often away from the comfort of family and home. Although committed to merit and performance, her works distinctly show her recognition and support for the poor in society by calling for the distribution of needs-based subsidies. Her honesty kept her steering in the direction of evidence. Her intelligence ensured that her critics gave her the respect she deserved. Her experience and outstanding work ethic brought her countless leadership job offers. Her loyalty guaranteed her friendship among thousands of admirers.

Latifah Merican Cheong began her career at BNM, having been a recipient of a scholarship from the organization. Over the span of thirty years, her sharp intellect and leadership attributes saw her move up swiftly from a junior officer in 1973 to Assistant Governor in 1998. Among her initiatives, she was strongly involved in BNM's efforts to develop the services sector, especially tertiary education and tourism. She found the need to provide greater access to tertiary education through private sector involvement and in promoting tourism, to achieve the twin objectives of reducing service payments abroad and developing services as an engine of growth. Her tireless efforts as a civil servant earned her Datoships from Malacca and Penang. While still serving as Assistant Governor at BNM, she had a two-year secondment to the Executive Board of Directors of the IMF at Washington, D.C. where she deepened her understanding of the management of major economic disruptions like the asset price boom of 1995–97 and forex debacle of the early 1990s.

Upon retirement from BNM in 2004, Latifah Merican Cheong was appointed to a four-year term at the World Bank as Programme Director for financial market integrity. Her responsibility was to ensure that banks have good anti-money laundering policies, "mainly to combat the financing of terrorism" which was then a major concern in advanced countries. However, the broader mandate for the World Bank, of which she was part, was to bring development to developing countries. In doing so, she acknowledged that her greatest challenge was to create products for developing countries that could be sold to donor

(advanced) countries for funding, and then to implement them in developing countries. Success in this endeavour prompted the World Bank to offer her another assignment when her contract ended. But she opted to retire from the World Bank and return to Malaysia to take up a third major appointment, as an advisor to the Securities Commission (SC) of Malaysia.

Although this new position represented a break from her past work, her view was that her work at the SC complemented the work she had done at BNM and the World Bank, thereby offering her the widest space to apply her expertise in financial sector development. This phase of her career coincided with her involvement in the National Economic Advisory Council, which was entrusted with formulating a “New Economic Model for Malaysia” to redress the malaise that had crept into the Malaysian economy just over five decades after national independence. In this engagement, she became well acquainted with and deeply concerned about the direction the country was heading under the national leadership. It was also during this phase that she began speaking out freely on non-governmental organization platforms. This work intensified to the point where she could not combine it with her official duties, which prompted her final retirement in June 2013.

But formal retirement did not mean the end of her engagement with and contribution to society. When the reforms proposed under the “New Economic Model” were shelved in favour of vested interests and fears of Islamic fundamentalism, she became a founding member of the G25. The group, which comprised of retired senior civil servants and ambassadors, was formed to speak out against misrule and corruption. As a member of the group, she spoke out collectively and individually on issues of public sector governance. Her election to be Deputy President of the Malaysian Economic Association (MEA) in 2017 and subsequently as President in 2018 gave her an additional platform to give voice to her ideas. She led the organization of the Forty-Second Federation of ASEAN Economics Association (FAEA) conference in 2017 from the front. She was instrumental in organizing several more important events to mobilize Malaysia’s and ASEAN’s intellectual energies for the good of the people. Her untimely death has silenced an indomitable voice crying out for a better Malaysia. But her life of endeavour has always been to better the Malaysia she loved. She often spoke about her ideal for Malaysia, which is to have a really strong governance structure and practice that will prevent bad behaviour by anyone detrimental to national interests.

As we received the sad news of her unexpected death, we began to realize that Latifah Merican Cheong’s life is a model of carefully crafted confidence and courage. True to her character, she never revealed her suffering, preferring to put in the next hour of work rather than taking a health break. In fact, she even responded two days before her death to our call to prepare this special issue. She was always bubbling with crisp questions about the state of economy and society. Malaysia has lost a rare intellectual and public servant.

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