

The Balancing Act

Navigating Fuel Subsidy Reforms and Utilising MADANI Government's Political Capital



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Interview with Rt Hon PM Anwar

Q: When it comes to fuel subsidies, can we expect it by end of June or some say year end?

A: 'It has to be done judiciously because you know I will not punish the masses'...

A: 'You can see inflation can be a problem'...

A: 'This reform of cutting subsidy without punishing the poor. That to my mind is very central.'

20th Nov 2024

Ms Teams | 4:30 PM



Scan the QR code for registration

Objectives



Understand political and socio-economic impacts of fuel subsidy reforms in other jurisdictions



Apply the Nash Bargaining Model to analyse impact on stakeholders

$$\max U = \{ \underbrace{(U_{gov} - \bar{U}_{gov})}_{\text{Govt's gain execute}} - \underbrace{(\bar{U}_{gov} - U_{gov})}_{\text{Govt's gain abandon}} \} * \{ \underbrace{(U_{pop} - \bar{U}_{pop})}_{\text{People's gain execute}} - \underbrace{(\bar{U}_{pop} - U_{pop})}_{\text{People's gain abandon}} \}$$

Source : Muhammad Akimaya & Carol Dahl

The equation enables modelling interactions of a subsidy reduction i.e. RON 95 price: direct cash to the poor, inflation, subsidy savings



Incorporate behavioural science insights into the design of a solution to effect the subsidy reform



Explore innovative solutions to effectively address the problem



Engage with experts to shape actionable reform strategies

About the Event:

A dialogue on fuel subsidy reform:

A political and economic perspective with the application of a Nash Bargaining Model and Behavioural Science to evolve optimal and sustainable solutions.

World Class Speakers

Dr. Muhammad Akimaya

Dr. Muhammad Akimaya, Assistant Professor of Economics at King Fahd University, an expert in energy economics and political economy. See profile in [King Fahd University](#)

Alex Clark

Head of International Asia Pacific at BIT, brings extensive experience in financial behaviors and environmental projects across the region. See profile in [Linkedin](#)

Moderator

Dr. Ravindra Navaratnam

Vice President of MEA and Executive Director of Sage 3, shall moderate the session. See profile in [Linkedin](#)

Sage 3 ... Rethinking Economics