

Building wealth, slowly

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RAJEN DEVADASON

JUST like you, I would love to amass a great fortune quickly. There is just one teeny, tiny problem...

I have no idea how to do so! As proof, here is a thumbnail sketch of my early evolution as a writer.

Shortly after dinosaurs walked the Earth, in the early 1980s when I was either in Form 4 or 5 in Malacca High School, I won a nationwide essay contest on the topic, "A Mathematician I Admire".

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Nonetheless, it took me almost another full decade to first earn money as a professional writer. This occurred when I joined the staff of the *Malaysian Business* magazine as a journalist in 1990.

Yet another seven years trudged by before my first book, *Your A-Z Guide to the Stock Market*, was published and I gained my initial (microscopic) taste of royalty income. Now enough about me!

My purpose in taking you on this jaunt down memory lane was to unequivocally illustrate to you that I know nothing about making

fast money!

I do, however, understand how to earn and accumulate money at the speed of dripping molasses. Sticking to the non-fiction writers' dictum of writing what we know about, these are my four building blocks for building wealth slowly:

FIRST, know why you wish to accumulate wealth;

SECOND, acknowledge your strengths and weaknesses;

THIRD, identify your passions and peevish; and,

FOURTH, celebrate every wealth-building milestone.

If the thought of accumulating wealth slowly bores you, note earlier this year it was reported that a United States-based non-profit foundation, the National Endowment for Financial Education (Nefe), estimated 70 per cent of lottery winners ended up broke within five years.

It seems to me that while lottery winners are few and far between, this minuscule subset of humanity genuinely understands what it is to get rich super-quickly! Interestingly enough, lottery winners share another trait.

They subscribe to the philosophy of getting something for nothing or at least for very little.

In contrast, those who take decades to accumulate even a fraction of the wealth lucky gamblers might, albeit rarely, find themselves buried under are better equipped to hang on to their hard-won riches. Why?

My work as a financial planner to English-speaking business owners and professionals has taught me that the process of growing serious wealth slowly involves birthing, nurturing and honing such personal traits as persistence, patience and perseverance. Slowly building wealth injects steel fibres into the character of the men and women who grow a little richer each day through sacrifice, frugality and delivering outstanding value to their customers, clients and companies.

Therefore, you might consider internalising my four suggested building blocks in the following manner:

KNOW

While we all dream of becoming a millionaire or richer, money in and of itself is meaningless. Yet it is useful to KNOW that the freedom of choice and the choice of non-free goods and services money can buy is both exhilarating and liberating;

ACKNOWLEDGE

We are each wired differently. Therefore, we would be wise to understand ourselves better and then to ACKNOWLEDGE which areas of endeavour are best suited to our hunt for a major definite purpose;

IDENTIFY

Life is too short for us to waste it immersed in activities we hate! We should IDENTIFY our greatest passions for contributing to the improvement of life on Earth for others and ourselves and, ideally, getting paid to do it;

CELEBRATE

Too many people fail to recognise when they have finally attained a significant, some might say sufficient, level of success. Life should be enjoyed thoroughly; therefore, decide in advance to CELEBRATE every milestone you reach on your personal — and I hope highly personalised — journey, which is this irreplaceable, precious life God has blessed you with!

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Food economics will decide war on diabetes

DATUK DR RAJEN MANICKA AND MEIERT GROOTES

AMID rising concerns that dietary habits are leading to a global pandemic of obesity, the debate has until now largely ignored a critical question — how can manufacturers of bread and processed foods remain profitable while making the products healthier?

That question comes to sharp focus amid recent findings by the National Health and Morbidity Survey 2015 that nearly half of Malaysia's population is obese and overweight, while 17.5 per cent (3.5 million) of adults have diabetes and 30.3 per cent (6.1 million) suffer from hypertension.

The survey confirms the finding in 2014 by British medical journal *The Lancet* that Malaysia is Asia's most obese nation.

However, many Malaysians remain unaware that eating rice and flour-based products can spike up blood sugar levels. Many still don't believe that a slice of white bread has the equivalent of 3.5 teaspoons of sugar.

Starch, whether consumed as rice or bread, usually turns to sugar in the human body within 20 minutes and is a major contributor to obesity, diabetes and hypertension.

The extent to which carbohy-

drates raise blood sugar levels after being consumed is measured by its glycemic index (GI).

High-GI foods are rapidly digested and absorbed, and cause marked fluctuations in blood sugar.

Low-GI foods are digested and absorbed slowly, producing gradual rises in blood sugar and insulin levels, which have proven health benefits. But beyond explaining GI, the effects of starchy foods and urging young and old to exercise more, what are the broader economic issues facing businesses?

Failure to balance the needs of producers and consumers will lead to defeat in this high-stakes war.

There are at least three reasons why policymakers need to work closely with businesses to succeed in this battle of the bulge and rising blood sugar levels.

FIRST, Asian diets are increasingly Westernised due to lifestyle trends. In 2014, Japan consumed more wheat than rice for the first time in history. Pizzas, pastas and bread are replacing rice in developed and developing nations across the Asia-Pacific region.

Flour-based products that include sandwiches, muffins and cookies already dominate many aspects of the global diet and will become even more prominent.

It is futile to turn this tide of

lifestyle and convenience which will continue to wash over much of Asia.

Instead, food manufacturers and restaurant chains need to tweak recipes and strategies to make their products healthier, while remaining profitable themselves;

SECOND, apart from bread, Asia needs to develop healthier versions of other flour-based foods which are eaten in large quantities.

About half the world's wheat is consumed as noodles — fried like *mee goreng*, boiled like *wanton mee* or packaged as instant noodles.

Currently, almost all these foods are not tweaked to lower the GI.

More research needs to be done on tastes, formulae, and methods of production — of food ingredients and the actual processing of food products — to ensure that these staples are healthier and yet suited to the preferences of various ethnic groups.

Malaysia and Singapore — two countries which mix Asian and Western cuisines as part of the average diet — are good locations to conduct such research.

Both have populations which are fighting obesity.

Both are food paradises which appreciate diversity of tastes and preparation methods; and,

THIRD is the need to balance the quest of making food healthier with



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the need of the manufacturers to maintain profitability.

Many players, large and small, in the food sector in Asia are struggling with high costs of raw materials, labour, rental and production. From the corner bakery in a leafy suburb to the large-scale bread maker, most manufacturers of flour-based products operate on thin profit margins.

In seeking to offer healthier options, manufacturers can only pass on to consumers a marginal increase in cost so as to ensure sufficient demand and economies of scale.

Flour-based food manufacturers cannot be expected to invest substantially in new capital expenditure to make healthier breads or pastas.

Nor should they have to worry about major changes to production techniques.

For food manufacturers, the solution lies in adding small amounts

to simple, clean label ingredients to the flour mix without complex new equipment or changing the taste and texture. And it must only cost marginally more or they lose the customer.

Health Minister Datuk Seri Dr S. Subramaniam, a retired doctor, is uniquely positioned to capitalise on his experience in the medical field and his position to reform Malaysians' diet by driving change top-down. The war against diabetes and obesity can be won with simple and down to earth strategies which make economic sense — a "win-win-win" for consumers, governments and industry alike.

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