

Foreword

by Datuk Dr. Mohamed Arif bin Nun

Individuals, policymakers, and corporate leaders face an increasingly challenging task of navigating through perilous financial, macroeconomic, and monetary headwinds that is further intensified by complex technological disruptions including innovations like Bitcoin and its blockchain. Many may struggle with allocating sufficient time and resources to arm themselves with actionable knowledge at the intersection of these disruptions as it requires deep commitment to cross multiple fields of study.

In “The Digital Transformation of Money,” Redza Arbee helps readers cut through many of the domain jargon and focuses on key insights that can immediately add value to any reader across all areas.

In the world that we now live, it is not sufficient and potentially harmful to view things only from a single perspective, regardless of the depth of knowledge in that one field. For example, with Bitcoin and blockchain, it is necessary to have clarity across multiple aspects that it touches including monetary and financial, investments, risk, its underlying technology, and its potential use cases, just to name a few. This reality is evident as stakeholders across the public and private sectors are increasingly looking at leaders and senior decision-makers for vision, direction, and wisdom. As the path forward is unclear and fast changing, individuals are further challenged to take ownership of how they intend to move forward.

Collectively, the whole spectrum of stakeholders, individuals, corporate and business sectors, and together with government and public bodies, need to identify the bold and competent ‘pathfinders’ to light the flares and illuminate the potential paths in front of us.

The way ahead is littered with seemingly insurmountable obstacles, namely the global debt burden, potential runaway inflation, war, famine, coup d’états, the banking and monetary crisis, et al. This means individuals, corporate leaders, economists, and policymakers in general are faced with an unenviable task: to lead and succeed in a time of profound and unprecedented change that is now happening globally. This change is not only bigger in terms of scale and complexity than what we experienced in the past, but also deeper fundamentally as it will challenge our very concept of money as we know it. This fundamental monetary shift, or as Redza has put it, “The Digital Transformation of Money,” is in no uncertain terms due to the genesis and the subsequent rapid development of Bitcoin and its blockchain network.

For most of us, we find that no matter how fast we try to run, we seem to continue falling further behind. This very notion seems to be the prevailing sentiment across the masses as their labour continues to afford them with less and less as time progresses. Unfortunately, this issue is not unique to any particular geography or industry, it is global. The question, it seems, is why?

As a response to the above question, Redza’s book takes us through a brief journey of what money is from a historical perspective to the debt-based fiat currency today, and then helps shine light on important considerations as to how we should approach the digitalisation of money.

Although typical resources on this topic may be a complex web that is rife with finance and tech industry jargon, Redza has managed to successfully illustrate important concepts that capture and highlight opportunities and pitfalls; he provides the right foundations to help us gain perspective on

how our concept of money will evolve with the continued development of Bitcoin and its blockchain network.

Redza further elaborated this understanding with an interesting thought experiment that can help any decision maker gain an appreciation of the complexities that surrounds our thinking and intent to basically safeguard our purchasing power. It is necessary for all of us, as global citizens, to understand the different risks involved in our financial decision making, as well as to have an open mind and curiosity when it comes to exploiting the opportunities of a radically new financial instrument available to us today.

The dilemma facing us in this new reality is whether we continue to build our civilisation on the value of something that is potentially infinite (e.g., the US Dollar) or we build it based on the value of something where its scarcity has been mathematically defined.

Money as we know it plays many crucial roles that accelerate commerce and progress of our civilisation. At the same time, we need to be aware that money, when poorly governed, can also lead to potential disaster. In the digital age and with the advent of Bitcoin, our concept of money has to be redefined through proper governance especially in a decentralised and transparent way. This revolutionary new financial instrument, aka digitally programmed money, is fundamentally challenging how we grasp the value of something potentially unlimited with the concept of algorithmic scarcity.

New use cases can now be realised through technology that can transform industry as we currently see it. Leaders need to understand and incorporate this new thinking as part of their strategy; failing to do this will introduce unprecedented risks into their organisations. In contrast, understanding of the technology and smart leveraging can achieve new levels of corporate performance and personal financial security to the individual. Opportunities and risks abound but the challenge is to have a fundamental understanding of this new technology, have perspective on how we should think about it, as well as how and why it fits into the global monetary and financial landscape.

To complete this picture, Redza provides a solid foundation that can help us visualise the way this technology works in a way that immediately clarifies why this is a revolutionary technology that can positively help impact countless lives. The author describes this in a way that is the most meaningful, effective, and creates an impact to “think out of the box” from conventional thinking.

To summarise, Redza Arbee’s “The Digital Transformation of Money” is an excellent and clear introduction of how Bitcoin works and why it matters. This is key as the argument on what we will end up with to use as money is currently a work-in-progress as, globally, different narratives are still being passionately argued. After going through Redza’s book, one key question has surfaced for me that is more important than what everyone else may be talking about; that question is: Should someone control the money or should no one?

Carpe diem et sapere aude!

Datuk Dr. Mohamed Arif bin Nun

Former CEO of Multimedia Development Corporation (MDC)

Former Director of SilTerra (M) Semiconductors

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