

Najib: Four challenges ahead for the economy
Malaysiakini.com
July 14, 2010

Prime Minister Najib Abdul Razak today underlined four big challenges the Finance Ministry would have to clear to push forward the country's economy to high income status.

NONEThe challenges would be on how to achieve the targets of the New Economic Model, managing the macro targets, dealing with structural problems in the economy, and inculcating positive values in the management of the country's finance.

Najib, who is also Finance Minister, said to ensure the success of the NEM, the country would have to receive investments worth RM115 billion a year which will ensure an economic growth rate of six percent throughout the five-year term of the 10th Malaysia Plan.

"Our responsibility is not in monitoring alone but taking very proactive action to stimulate all the other parties as well as creating an investment climate that is competitive at global level.

"At the same time, we need to ensure that the people have a sensitive and caring government that will continue to look into their welfare," he said.

Don't neglect rakyat's hopes

Najib said this during his speech at the Treasury's excellence service award ceremony here today.

The prime minister said the Finance Ministry should also manage the country's macro targets without neglecting the hopes of the rakyat.

"We need to achieve our goal of reducing the country's deficit from seven percent to 5.6 percent of the Gross Domestic Product (GDP) but we are also facing the demands of the people who want more allocation through the ministry.

"This is a challenge - managing the deficit and fulfilling the hopes of the people at the same time," he said.

Another challenge to overcome is the need to manage the economic structural problems in the country's economy.

These problems, among others, involve the question of how the country could rationalise subsidy without disrupting and overburdening the people.

"It also covers on how we can stabilise our revenue base. Our revenue base is not very broadbased. We are aware of this," he said.

Instill positive values

The prime minister also said the Finance Ministry would have to instill values that would contribute towards strengthening the country's finances.

"These values include spending in a prudent manner, ensuring that our procurement system

is more competitive and transparent, avoiding wastage at every level of administration," he said.

Najib also said Malaysia managed to ride through the global economic crisis, expanding more steadily than several other countries.

"We faced a reasonable unemployment rate while the United States had to face an unemployment rate that went past 10 per cent."

Indeed, several states in the US, the rate of unemployment went above 15 percent.

- Bernama

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.

Source : <http://www.malaysiakini.com/news/137324>