

Global competitiveness: M'sia goes down further
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Malaysia slipped two notches to 26th from 24th ranking previously in the World Economic Forum's Global Competitiveness Report 2010-2011 released today, with higher education, institutions and labour market efficiency among the concerns.

The country's rank has been on a declining trend for three consecutive years from 21st position in 2008/09, said the report, citing training and technological readiness among the other pillars to be improved.

In the overall competitiveness index, however, the country stood almost flat at 4.88 out of seven compared with in 2009 when it scored 4.87.

"Among Asia-Pacific countries, Malaysia ranked 8th, ahead of China, Thailand, India, Indonesia and the Philippines," said a statement from Ministry of International Trade and Industry in Kuala Lumpur today.

NONEMalaysia scored highest in the legal rights index, together with Hong Kong and Singapore.

The country also scored high on the strength of investor protection, ranking 4th after New Zealand, Singapore and Hong Kong.

The top 10 countries in the report are Switzerland, Sweden, Singapore, US, Germany, Japan, Finland, Netherlands, Denmark and Canada.

Saudi Arabia and Israel, ranked 21st and 24th respectively, had overtaken Malaysia.

The report covered 139 countries, of which six, namely Angola, Cape Verde, Rwanda, Swaziland, Iran and Lebanon are new.

NEM will help improve ranking: Mustapa

International Trade and Industry Minister Mustapa Mohamed, said while the ministry acknowledged there were a number of areas for improvement, it was happy to see the report highlighted a number of positive elements about the Malaysian economy.

Mustapa said Malaysia was also assessed to have a well-developed financial market development with ease of financing through local equity, ranked 11th from 15th previously, and ease of access to loans position at 10th.

"Venture capital availability, soundness of banks, transparent regulations of security exchanges have also contributed to financial market development in Malaysia," he said.

He said Malaysia also did relatively well in more complex categories, which mattered the most for advanced economies, namely business sophistication (25th) and innovation (24th).

On concerns raised by the report, he said, the government has already launched nationwide initiatives to tackle them.

"Among the proactive measures to enhance Malaysia's competitiveness are the New

Economic Model, which emphasises achieving high income, the Government Transformation Programme to enhance government efficiency, and the implementation of initiatives under the 10th Malaysia Plan.

"As these initiatives begin to take effect, we can expect to see improvements in Malaysia's overall competitiveness soon," he said.

- Bernama

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