

# Najib: We did not cook up growth figures

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**KUALA LUMPUR:** No, the government did not cook up the impressive economic figures to boost public confidence.

This was Deputy Prime Minister Datuk Seri Najib Razak's response to people's questions on the accuracy of the economic growth and trade figures announced recently by the government.

"That is the exact economic situation in the country now," Najib said yesterday to reporters after closing the *Wacana Ilmuan Islami* (Islamic scholars' discourse) programme organised by the Information Ministry at the Putra World Trade Centre here.

"Our books are transparent. We don't cook up figures.

"The World Bank and International Monetary Fund inspect our books on a regular basis."

It was recently reported that the country enjoyed RM46 billion in investments (RM20.2 billion foreign and RM25.8 billion local) last year and that Malaysia's annual total trade broke the RM1 trillion mark.

Per capita income rose from RM12,079 in 1998 to RM18,039 in 2005 and the gross domestic product

touched RM277.2 billion in 2005 compared with RM182.2 billion in 1998.

International reserves more than doubled to US\$70,486 billion in 2005 compared with US\$30.856 billion in 1999.

Asked about talk that the economic benefits were not being felt by the people on the ground, he said, on the contrary, more people were benefiting from economic development now than a year ago.

"There is an improvement in manufacturing, agriculture, especially the oil palm sector, and oil and gas industries.

"Many wholesalers have received many new orders."

Najib also pointed to a shift in consumer behaviour.

"Fewer consumers are going to retail outlets these days not because their buying power has been reduced, but because they prefer to go to hypermarkets.

"Therefore, retail outlet owners feel the pressure and probably these groups of people are the ones complaining that they are not benefiting from the economic growth."

He said in any significant structural change in the economy, there would be winners and losers.

"Our (the government's) challenge is

to ensure that there are more winners than losers in any situation."

For the "losers", Najib's advise was to adjust to the changing situation.

He also said there were too many contractors in the country.

"This poses a problem because we cannot provide enough jobs for everyone on a continuous basis.

"Unless we adopt new measures to make some structural changes to hasten the process for these groups to get projects, there will always be those who are unhappy and they will say that they did not benefit from the economic growth."

When told that the income of wage earners remained static and that they appeared not to benefit from the economic performance, Najib said the government's effort to keep inflation low benefited this group.

"Inflation is expected to be below three per cent this year."

Najib also said public confidence was high. "The stock exchange will not be going through this significant increase in the overall index if there is no confidence.

"When people are confident, they enter the market."

The composite index is pushing the 1,300 mark compared with only 262.7 in 1998.