

NEW STRAITS TIMES

DATE: 14/7/2008

Still a hot spot for investment

NST-14/7/2008

PUTRAJAYA: Malaysia's economy is largely stable even though the country is facing a global crisis, including an increase in the prices of fuel and food, Datuk Seri Abdullah Ahmad Badawi said.

"It's stable overall. Our trade sector... there is nothing to worry about.

"We continue to attract foreign investment and we are still a preferred investment destination," the prime minister said.

He said Malaysia's economy also was given positive ratings by other countries, most recently during the Group of Eight Islamic Developing Countries (D8) Summit in Kuala Lumpur last week.

"Our economic figures are positive. They know it," he said at Sri Perdana here, on Saturday.

The D8 comprises Indonesia, Pakistan, Iran, Bangladesh, Egypt, Nigeria, Turkey and Malaysia.

Abdullah said the country's image was also intact.

"For those who view Malaysia objectively, it is still good. But those connected to (Datuk Seri)

Anwar (Ibrahim) would see things differently."

Asked about his priorities from now until the handing over of power to his deputy, Datuk Seri Najib Razak, in June 2010, Abdullah said he wanted to speed up the development of the five economic corridors.

The five development corridors are Iskandar Malaysia, Northern Corridor Economic Region, East Coast Economic Region, Sarawak Corridor of Renewable Energy and Sabah Development Corridor, collectively requiring RM840 billion in investments.

Explaining the idea behind the corridors, Abdullah said it was to address development imbalances between urban-industrialised areas and semi-urban areas.

He said the new approach was different from that of the New Economic Policy, which focused on equitable distribution of income.

Abdullah said narrowing the development gap in the country was a major issue with which the

government had to grapple.

In the end, it decided to focus on developing human capital and empowering it with knowledge so that the people would be able to compete on a level playing field.

Using an analogy to drive home the point, he said: "We don't take from Ah Seng and give it to Ahmad but (what we do is) to accelerate Ahmad's opportunity.

"If we give them money, it will be spent in no time; so we give them opportunities for productive use."

To accelerate the pace of development in the five corridors, he said all implementation aspects must be properly planned by the central agencies, including the Economic Planning Unit, Implementation and Coordination Unit, and Treasury.

On why he chose to focus on agriculture despite critics describing it as a step backward, Abdullah said the focus was not merely on agriculture but on the development of the country's agro-based industry. — Bernama