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On guard against external shocks

PM: Economic fundamentals strong enough to weather troubled times

THE country must always be prepared for external shocks that are beyond its control and maintain momentum to stay on track to become a high-income nation by 2020.

Prime Minister Datuk Seri Najib Tun Razak said that despite being in an age of great technological innovation and increased opportunity, the country was still at the mercy of often unpredictable global economic factors.

"The current volatile economic situation being faced by Malaysia and the rest of the world is a case in point," he said in his opening address at the Global Science and Innovation Advisory Council's (GSIAC) 5th annual meeting here on Monday.

GSIAC was set up to boost Malaysia's efforts in science and

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in New York



innovation, using science to help advance the country's "high-income economy" agenda.

Chaired by the Prime Minister, it comprises global industry leaders from cutting-edge fields, prominent academicians, as well as members of the New York Academy of Sciences (NYAS), with Malaysian corporate leaders and officials from key ministries.

Najib said that while there was modest growth in the global economy, heightened uncertainty and volatile financial markets as well as

the sharp fall in the price of oil and other primary commodities, it was not all bad news.

He reiterated that the fundamentals of the Malaysian economy remained strong, as supported by five indicators.

There was a 5% growth rate, a reduced negative fiscal deficit with strong capitalisation and ample liquidity in the financial system, and positive results from the transformation programmes, like the 1.8 million new jobs since the launch of the Economic Transformation Programme in 2010.

Another indicator, he said, was that Malaysia was still viewed by the world as being able to effectively manage the economy in the face of many challenges.

"This is proven by the ratings and

reports of the international financial agencies such as Fitch Ratings, Moody's, Standard & Poor's as well as the actual picture of the economic situation and the current economic management."

At the same time, Malaysia had ranked 12th out of 60 countries in the World Competitiveness Yearbook 2014, added Najib.

He is expected to share more details from the council meeting during his wrap-up session with the Malaysian media tomorrow just before he leaves the United States for a working trip to Milan, Italy.

Also present at the council meeting were NYAS executive vice-president TC Wescott; GSIAC joint secretary and the Prime Minister's science advisor Prof Tan Sri Zakri Abdul Hamid; and president and

CEO of the Malaysian Industry-Government Group for High Technology (MIGHT) Datuk Dr Mohd Yusoff Sulaiman.

Ministers present were Higher Education Minister Datuk Seri Idris Jusoh; Science, Technology and Innovation Minister Datuk Madius Tangau; and Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar.

The high-level half-day meeting of global subject matter experts, government officials and corporate leaders focused on the GSIAC assessment report, the implementation of science and innovation in the 11th Malaysia Plan and the OECD reviews of Malaysian innovation policy.

Watch the video
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