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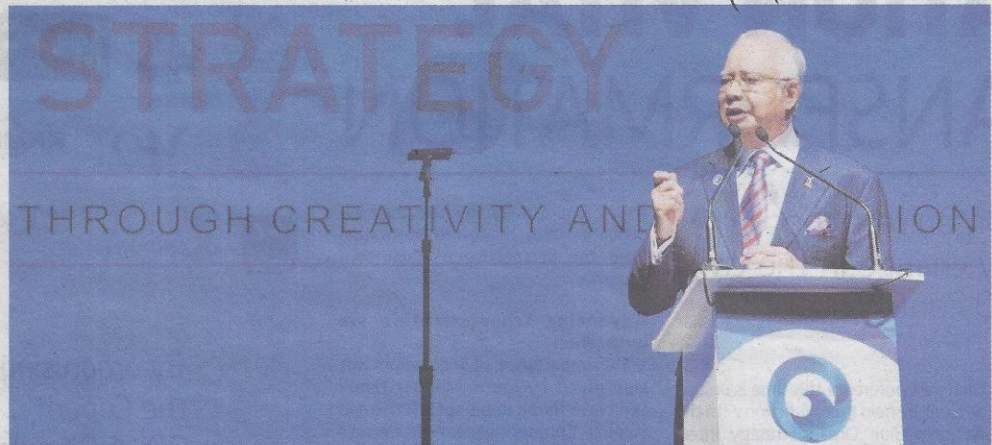
'Blue ocean' of opportunities

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PARADIGM SHIFT:

National Blue Ocean Strategy adopted to free nation from the middle-income trap, says Najib

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Prime Minister **Datuk Seri Najib Razak** speaking at the launch of the International Conference on Blue Ocean Strategy in Putrajaya yesterday. Bernama pic

NATIONAL Blue Ocean Strategy (NBOS) initiatives are radically transforming Malaysia's public services and are vital in the government's National Transformation Programme (NTP).

Prime Minister Datuk Seri Najib Razak said NBOS was one of many programmes that the country had adopted to break away from past policies and to free Malaysia from the middle-income trap.

"If we had continued with the old policies, we would have found the government and country swimming in an ocean of red," Najib said at the launch of the International Conference on Blue Ocean Strategy here yesterday.

He said Malaysia had weathered the global economic downturn and the sharp fall in the price of oil because of the government's sound monetary and fiscal policies.

Najib said the government diversified Malaysia's economy, widened the tax base by introducing the Goods and Services Tax (GST), and rationalised or removed subsidies.

"These moves were not always popular, but they were necessary, and they have strengthened the resilience of our economy at a time when we have needed it most."

Najib said when he took office as prime minister, he realised that ensuring Malaysia did not get caught in the middle-income trap was his greatest challenge.

"I realised that there must be a clear break from past policies. Now, there are some who appear to be in denial about this.

"Some who, out of stubbornness and belief that only they can be right, prefer to run Malaysia's economy down because they do not want to acknowledge the success that change has brought."

He said there were those who pretended that the government had a wide enough tax base without GST or that the country should continue with "vanity" infrastructure projects and continuously pour money into loss-making industries.

"Instead, we knew that we had to make a paradigm shift and create a new economic model; one driven by knowledge, creativity and innovation — a 'blue ocean' of new opportunities," he said, adding that this was what NTP, introduced in 2010, aimed to set in motion.

Citing the setting up of Urban Transformation Centres (UTCs) as one of NBOS's success stories, Najib said the government had saved RM1.5 billion by using existing under-utilised buildings.

"In fact, by not constructing from scratch, we saved RM100 million for every UTC and there are 15 such centres across the country."

He said the first centre was ready

in six weeks, and it took less than two months from the presentation of the idea to people being able to renew their passports, pay utility bills and enjoy other government services at the UTC in Malacca.

"They have proved incredibly popular. In fact, between June 2012 and July, there have been 35.3 million visitors to UTCs."

Najib said the government could save another RML3 billion when maximising manpower resources.

"We moved more than 7,400 police officers from behind their desks and onto the front line of security on our streets."

He said the police and armed forces were working closer under the NBOS. Police-military collaboration, Najib said, also extended to the sharing of training facilities, resulting in savings of about RM700 million from not having to build new police training centres.

"Here again, we see the NBOS principles of high impact, low cost and rapid execution in action."

Najib said the blue ocean strategies were not just for developing nations, nor for others to meddle in other countries' affairs.

He said the blue ocean strategies could be formulated in any country that wished to create a high impact not only on the capital economy, but

also on the "people economy".

"We want that future to be one in which our children and their children see no goal they cannot reach; but also know that they have the tools and the right support on their journeys, and that they belong to a community and country in which no Malaysian is left behind.

"A successful Malaysia, yes. But also happy Malaysians, with challenging and meaningful jobs, a sense of fraternity and the knowledge that both reward and responsibility come from uniting as a harmonious and increasingly prosperous society."

Setting up all these programmes here had required a huge transformation, Najib said, adding that it was the transformation that Malaysia needed to escape the middle-income trap.

"We are on course with gross national income up by nearly 50 per cent and 1.8 million jobs created since the NTP began. Even in these times of economic uncertainty, our growth rates remain healthy and far above the global average. The World Bank and the International Monetary Fund have consistently praised our approach, and we have enviable high positions in numerous global rankings for ease of doing business, regulation and competitiveness."