

**2012 Economic Growth Target Ambitious, Says ASLI
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KUALA LUMPUR, Oct 11 (Bernama) -- The government's target to achieve economic growth of five to six per cent next year is ambitious, says independent think tank Asian Strategy and Leadership Institute (ASLI).

ASLI chief executive officer Datuk Dr Michael Yeoh said with the difficult global economic situation, especially in Europe and the U.S, many private economists tend to think the growth next year would be between four to five per cent, lower than the government's forecast.

However, he said, whether the target is achievable or not will depend on the global economic situation which determines export, and private consumption which determines domestic demand.

If domestic demand is strong, the growth might be close to the targeted five per cent, but to go to six per cent is a bit hard, he told reporters on the sidelines of the Economic Freedom Network Asia 2011 Conference here today.

"The Economic Transformation Programme will help to stimulate private investment and hopefully with the increase in private investment will drive greater private consumption. And I think the increase in public servants' salaries will also drive up domestic consumption next year," he said.

Amid the uncertainty of the global economy next year, Yeoh said intra-Asean trade and trade with China, which has grown substantially, may cushion a little of the declining export to Europe and the U.S.

Meanwhile, ASLI's Centre for Public Policy Studies chairman Tan Sri Dr Ramon Navaratnam said the target growth for next year is optimistic but the government needs to have an alternative plan if the target cannot be achieved.

He said economic and budget planning, as well as the situation in Europe and America, must be carefully monitored.

"If there is a sign of the European and American economies sliding further, we must take counter action," he said.

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