

**East Asian Economy Must Be More Resilient - Muhyiddin
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PETALING JAYA, Oct 3 (Bernama) -- Deputy Prime Minister Tan Sri Muhyiddin Yassin said the East Asian economy must learn to be more resilient as they recover from global financial crisis of 2007-2008.

He said that East Asia should look gradually inwards for opportunities ahead and avoid being too dependent on developed economies.

"Recent turmoil of capital outflows and exchange rates dip in many emerging market economies due to the prospect of the United States Federal Reserve's tapering of its bond-buying scheme, is a wake-up call for greater coordination of countries in this region," he said in his keynote address at the 5th World Chinese Economic Forum dinner, here Thursday night.

The deputy prime minister cautioned that no country should rest on its laurels as there was still room for improvement, especially on the structural rigidities affecting many countries in the region.

Muhyiddin pointed out that infrastructure bottlenecks and capacity constraints would reduce productivity and therefore competitiveness of a country's economy.

He said sound financial and public institutions were also key to unleash the innovative potentials of an economy so that firms are able to move up the value chain which was increasingly globalised.

Muhyiddin also shared with his audience the Malaysian government's experience in the process of transforming the country to become a developed nation by 2020.

He said the Malaysian government was being pragmatic in identifying 12 National Key Economic Areas which accounted for the most significant contributions towards achieving that goal.

"In other words, we want to achieve big results fast and, to do this, we channel scarce resources into high-performing economic sectors that will generate spill-over to other areas," he said.

Muhyiddin reckoned that as in all kinds of economic reform, the government had to identify the right solution and remain steadfast when implementing the policies.

"Strong political will to do what is right for the nation must thrive, even if this means having to face strong headwind from certain segments of the country," he said.

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