



Government of Malaysia
National Economic Advisory Council

INAUGURAL ISIS PRAXIS SEMINAR 2011

New Economic Model

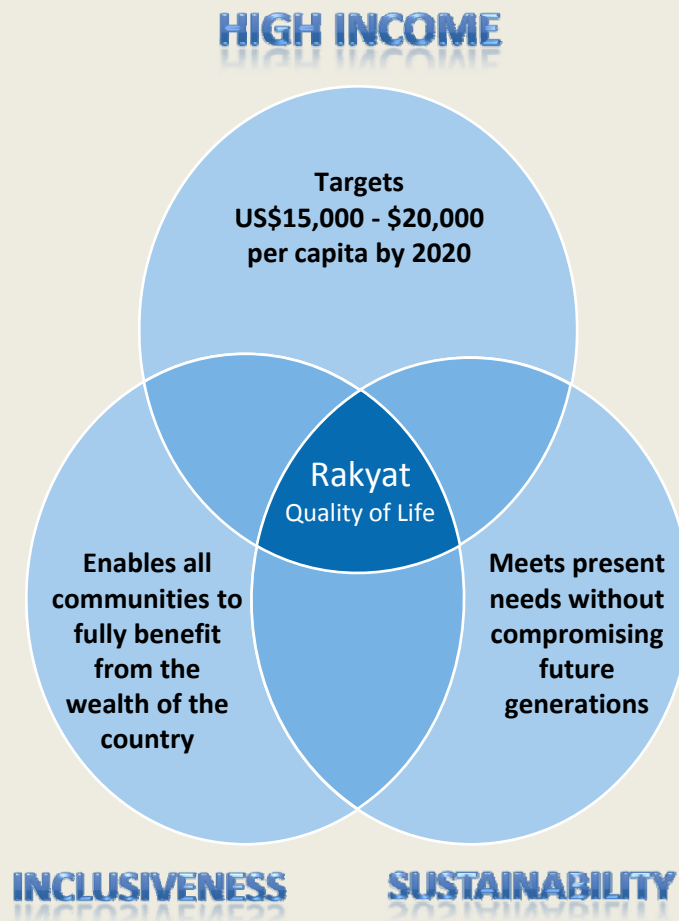
Role of the Government and the Private Sector

Briefing By The Chairman of the NEAC
Y.B. Senator Tan Sri Amirsham A Aziz

3 March 2011
Renaissance Hotel, KUALA LUMPUR

THE NEW ECONOMIC MODEL

What it Means to be an Advanced Nation by 2020



HIGH INCOME
GROWTH + WEALTH CREATION

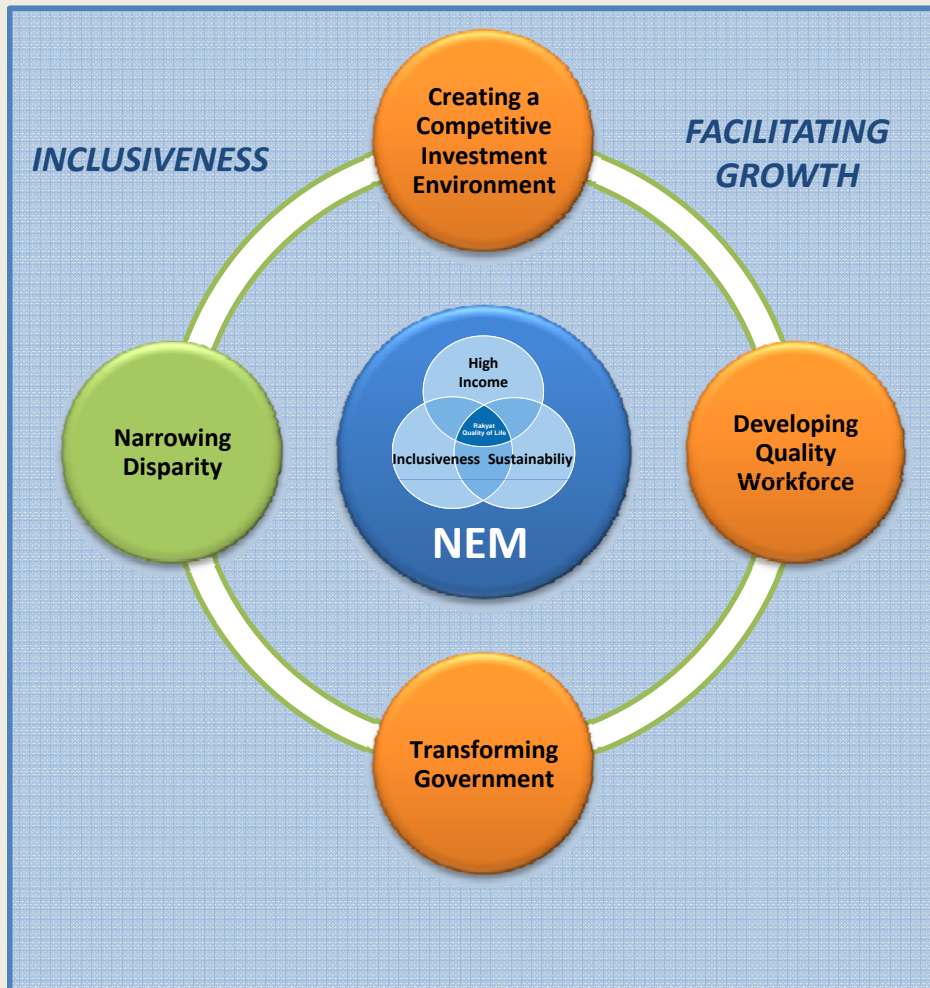
SUSTAINABILITY
FIXING THE FOUNDATIONAL ISSUES

INCLUSIVENESS
NARROWING DISPARITY

THE NEW ECONOMIC MODEL

SRI & Growth Thrusts : Cross-Cutting Foundational Interrelationship

GROWTH THRUSTS



THE 8 SRIs

THRUST 1 : CREATING A COMPETITIVE INVESTMENT ENVIRONMENT

1. Re-energising the Private Sector
2. Creating a Competitive Domestic Economy
3. Building the Knowledge Base Infrastructure
4. Ensuring Sustainability of Growth
5. *Enhancing the Sources of Growth - NKEAs*

THRUST 2 : DEVELOPING QUALITY WORKFORCE

6. Developing Quality Workforce and Reducing Dependency on Foreign Labour

THRUST 3 : TRANSFORMING GOVERNMENT

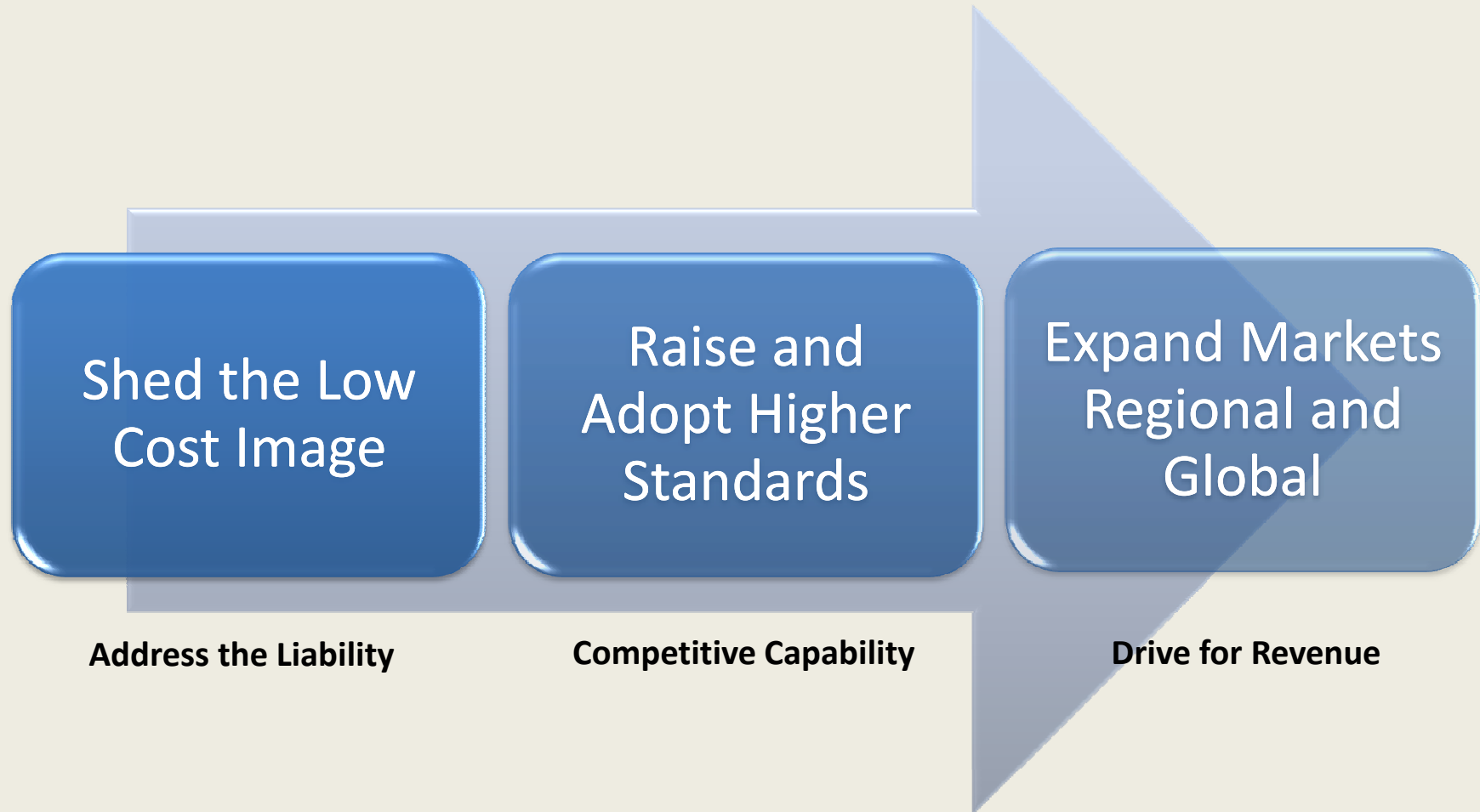
7. Strengthening of the Public Sector and Fiscal Sustainability

THRUST 4 : NARROWING DISPARITY

8. Transparent and Market Friendly Affirmative Action

THE NEW ECONOMIC MODEL

High-Level Strategy to Progress to Drive for Growth



THE NEW ECONOMIC MODEL

Role of Private Sector is to Drive Growth for the Nation

- ❖ Invest in the business – R&D, Upgrading and Modernising Operations
- ❖ Attract and retain talent and skills and strive to become a *Preferred Employer*
- ❖ Take on higher risk and capture:-
 - New Markets that are constantly evolving and shifting.
 - New Customers who are more discerning, demanding and spoilt for choice.
- ❖ Innovate, design and produce new products continuously with more stringent quality conditions and shorter life-cycles due to pace of technology
- ❖ Frame management outlook with a global appreciation for business as economic and business cycles become more compressed and volatile
- ❖ Operate in an open market pricing environment – higher productivity, efficiency and cost management required to be competitive as subsidies are withdrawn
- ❖ Adopt and comply to international standards and best practices