

Malaysia needs to prioritise real economy, says economist

KUALA LUMPUR, Nov 7 — Malaysia needs to prioritise its real economy and not just finance, says a prominent economist.

Prof Jomo Kwame Sundaram of the Institute of Strategic and International Studies (ISIS) said the nation has been paying less attention to real economic indicators such as the future of agriculture as well as de-industrialisation.

“Right now we spend a lot of attention on the financial indicators,” he told reporters on the sidelines of the Malaysia-French International Conference, where he was a panellist, here today.



A file picture of a construction site next to the Petronas Towers in Kuala Lumpur. A prominent economist says the nation has been paying less attention to real economic indicators such as the future of agriculture as well as de-industrialisation. — Reuters pic

“We don’t seem to be very concerned by the fact that the country is de-industrialising in terms of the share of the economy that is contributed by manufacturing and the fact that fewer workers are working in manufacturing,” he said.

Jomo, who is also a visiting senior fellow at the Khazanah Research Institute (KRI), said while everybody is happy with the growing services sector, the value of the sector remains questionable.

“What is the nature of these services, and how much value that is shown is there?”

“You can have redistribution through services, but it doesn’t necessarily mean that we are actually adding to the economy,” he said.

The two-day conference, themed “Malaysian Capitalism in Comparative Perspective”, was co-organised by KRI, the Embassy of France and the Malaysia-France University Centre, with the support of France’s Institut Français.

The conference aims to foster dialogue and enhance understanding amongst scholars, researchers and commentators from both countries. — Bernama