New Economic Model and 1Malaysia

The economic transformation agenda under the New Economic Model (NEM) which the government hopes will drive Malaysia’s economic progress to become a fully developed nation; a competitive economy that is strategically positioned, environmentally sustainable; and a quality life that is inclusive and encompassing, is based on the three principles of high income, sustainability and inclusiveness, said Prof Dr Nik Rosnah Wan Abdullah, Deputy Dean of the Razak School of Government at Universiti Tun Abdul Razak.

“The NEM proposes to do this through eight Strategic Research Initiatives which include re-energising the private sector, developing a quality workforce, and creating a competitive domestic environment and growth, both in terms of enhancing the sources of growth and ensuring the sustainability of growth. Other initiatives target the public sector, affirmative actions and building Malaysia’s knowledge-base and infrastructure,” she said.

She said the NEM comes with a framework that promises to bring Malaysia out of its middle-income status and push it into the realm of a high-income economy.

Nik Rosnah said such ambitious agendas demand a Renaissance approach to succeed.

“In this context, two conditionalities emerged: a realistic framework for effective implementation and full support from the rakyat," she said.

She said for effective implementation, Najib stressed on a public sector that leans on performance.

The Key Performance Index (KPI) is the performance standard to enable the public sector to be evaluated holistically, she said.

The yardstick assumes the Malaysian as the main clients as uttered in the tagline of 1Malaysia: People First, Performance Now.

“It identified six major policy areas in what is known as National Key Result Areas (NKRAs), in which KPIs will play an especially important role in improving the effectiveness of the public sector. The NKRAs include crime prevention, reducing government corruption,

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