

Malaysian economy holding up but headwinds persist: Azman



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KUALA LUMPUR: Chief executives, industry experts and business leaders today discussed major trends impacting the Malaysian economy as well as issues of common concern such as inflation and labour shortages at the 2022 Perdana Leadership Foundation CEO forum.

Perdana Leadership Foundation board of trustee chairman Tan Sri Azman Hashim (*pic*) said Malaysia's economic fundamentals have held up throughout the Covid-19 pandemic thanks to central bank oversight, public sector assistance and efforts of the private sector, but headwinds from external and internal sources continue to plague the country.

"It is thus timely that we have this forum where business leaders and industry experts are gathered to discuss economic trends, and the environment, as well as identify sectors that are growing in importance such as technology and logistics.

“The business community plays a huge role in strengthening, fortifying, and reviving the Malaysian economy, and this forum is a platform to surface the concerns of business leaders to policymakers,” he said in his opening speech.

The Russia-Ukraine war is ongoing with no end in sight, so the food and fuel shortages experienced in Europe will continue for the foreseeable time, Azman said. “This means inflation – which is already at unprecedented levels in many countries – will not abate, and the cost-of-living crisis will continue for many people around the world.”

China is still pursuing its zero-Covid policy and parts of the country may be subjected to lockdowns. For many companies, including Malaysian ones, this signals potential manufacturing and supply disruptions.

Malaysia is also dealing with the effects of climate change, with floods, typhoons, hurricanes and droughts becoming more unpredictable and severe globally.

Azman said that it is not surprising that the World Bank and the International Monetary Fund are forecasting weak global economic growth of less than 3% in 2023, with the ominous note that the worst is yet to come, and for many people it will feel like a recession.

“While Malaysia’s growth is forecast to be better than the world average, at 4.5%, it will be lower than in pre-pandemic years, mostly due to lower demand for our exports,” he said.

The forum hosted over nine plenary and concurrent sessions covering technology in business, talent and manpower, renewable energy, public finance, logistics, and inflation by business and thought leaders including MMC Corp Bhd group managing director Tan Sri Che Khalib Mohamad Noh, Khazanah Research Institute senior adviser Prof Dr Jomo Kwame Sundaram and YTL Power International Bhd executive director Yeoh Keong Hann.

Perdana Leadership Foundation is a non-profit organisation established in 2003 to document, disseminate, research, and archive materials related to the past prime ministers of Malaysia, and nation-building. The foundation intends to become the premier institution for the study of Malaysia’s prime ministers and the central resource centre for research into national stewardship as well as a platform for reflection, debate, and discussion with distinguished figures in Malaysian leadership.

Its honorary president who also shared his thoughts during the forum is the fourth and seventh prime minister of Malaysia, Tun Dr Mahathir Mohamad.

The forum venue was sponsored by Berjaya Corp Bhd. The platinum sponsor was Sime Darby Plantation Bhd. IJM Corp Bhd, Kuala Lumpur Kepong Bhd and CIMB are the gold sponsors while Northport (Malaysia) Bhd, AEON Co.(M) Bhd, Malakoff Corp Bhd, IRIS Corp, Invisight PLT, Boustead Plantations Bhd and Bank Muamalat are the bronze sponsors. MPH Bookstores is a supporting partner of this forum.