



**PRIME MINISTER  
MALAYSIA**

## **Foreword**

The Eighth Malaysia Plan charts the next steps that we, as a nation, will have to take towards becoming a united and fully developed nation in our own mould by the year 2020. In formulating this plan we considered the progress achieved, took stock of our current position as well as the considerable challenges ahead. The strategies and programmes presented are aimed at putting the nation on a stronger footing and to be more resilient and competitive. The Plan is also the first phase in the implementation of the Third Outline Perspective Plan for 2001-2010.

The recent financial crisis clearly demonstrated the need for resilience, both economically and socially. It served to remind us that we can no longer depend on past formulas for our future success. During the Eighth Malaysia Plan period, we will be faced with even greater challenges from globalization and liberalization as well as the rapid development of information and communications technology. We will have to enhance the competitiveness of the economy, strengthen our economic resilience and improve our total factor productivity. To do that, we will have to shift the growth strategy from being input-driven towards one that is knowledge-driven. Emphasis will be given to improving management and organizational techniques, upgrading R&D and science and technology, as well as strengthening innovative capacity. This will enhance potential output growth and accelerate structural transformation within the agriculture, manufacturing and services sectors.

We will also have to enhance the value added of all productive activities through knowledge utilization and also create new knowledge-intensive industries. In this respect, the Eighth Malaysia Plan emphasizes the creation of a strong human resource base to support the development of the knowledge-based economy as well as to enhance productivity and competitiveness. Efforts will be undertaken to develop an efficient and responsive education and training system to meet the demand for a labour force that is knowledgeable, highly skilled and equipped with positive values.

As we develop, the integrity of our family structures, our communities and our efforts at social integration will be tested. We will have to ensure that society remains resilient, able to withstand any negative influence that may affect social harmony and tolerance. We will have to continuously foster the spirit of neighbourliness and harmonious living among the various communities as we go about building a resilient nation through fostering unity, inculcating the spirit of patriotism, cultivating a more tolerant and caring society and raising the quality of life of the people.

The Government will ensure that all segments of society, particularly rural society, enjoy and benefit from the opportunities available, including education, employment and access to social services. Every effort will be made to ensure better coverage and improvement of social amenities, including improved working conditions as well as better health and environmental quality.

To ensure social and political stability and the achievement of national unity, we will continue the strategy of developing an equitable society. The poverty eradication programmes will be more target-specific to address pockets of poverty in rural and urban areas. The distributional strategy will emphasize reduction of the economic disparities among ethnic groups and improving Bumiputera corporate equity ownership. The cooperation and support of the private sector, NGOs and members of all ethnic groups will be needed in fulfilling the Government's initiatives in this aspect. The ultimate effort, however, will have to be made by the Bumiputera themselves in developing the requisite values, skills and capabilities to take advantage of the innumerable opportunities available and emerge as successful entrepreneurs.

Although we have made significant progress over the past five years, we must not become complacent. We will have to respond to the changing patterns of trade and investment arising from an increasingly competitive global economy. We will have to cultivate the right mind-set and value system in order to develop

a culture of high productivity and excellence and ensure that our success is sustainable. We will have to work hard at meeting the challenge of establishing a mature, liberal and tolerant society in which all Malaysians are free to profess their customs, cultures and religious beliefs. Only then, can we be truly on our way towards forging a united Malaysian nation with a sense of common shared destiny, a nation at peace with itself, ethnically integrated, living in harmony and full and fair partnership made up of one *Bangsa Malaysia*, loyal and dedicated to the nation.

The preparation of the Eighth Malaysia Plan involved extensive consultations with the public as well as the private sector, and it took into account the recommendations of the Second National Economic Consultative Council (MAPEN II). I wish to place on record the deep appreciation of the Government for the cooperation given by all concerned. The Plan has been formulated to hasten the pace of development as we begin the Third Outline Perspective Plan and the National Vision Policy. Let us now direct all our efforts towards full implementation of the Plan. The sacrifice, selfless service and determination of all are called for to make the Plan a success and our country a progressively better place to live in as we progress towards our vision of a fully developed country.



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Putrajaya  
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