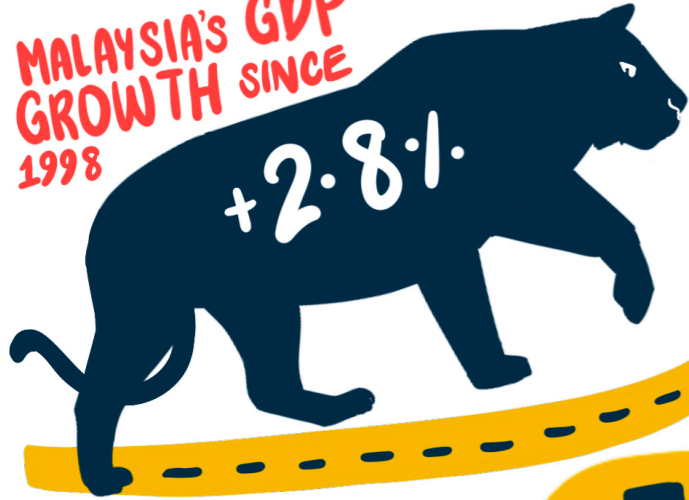





# KEYNOTE ADDRESS: MALAYSIA'S DEVELOPMENT BARGAIN: CAN IT BE RENEWED & ENHANCED?

MALAYSIA'S GDP GROWTH SINCE 1998



- I. YOU DON'T HAVE TO WAIT FOR PERFECT CONDITIONS TO START
- II. IT'S ABOUT MAKING THE SYSTEM OR INSTITUTIONS WORK WITHIN REASONABLE POLICIES
- III. STABILITY & BEING OUTWARDLY-ORIENTED MATTERS

**MALAYSIA'S ELITE BARGAIN**  
(EVERYTHING IS INTERTWINED!)



**PHASE 1: UP TO 1997**  
POLITICAL & DEEPLY CLIENTELIST, PATRONAGE-BASED ECONOMIC DEALS

**PHASE 2: 1998-NOW**  
MORE OPEN & INCLUSIVE OF DIFFERENT INTEREST GROUPS

POLITICS --- BUSINESS --- MILITARY

OUT OF CONVICTION

AS PART OF LEGITIMACY

AS PART OF MAXIMISING RENTS

## ELITE BARGAINS

INVOLVE A SHARED COMMITMENT TO GROWTH & DEVELOPMENT AMONG THE POWERFUL & INFLUENTIAL MEMBERS OF SOCIETY



POLITICAL & ECONOMIC DEALS

THE STATUS QUO IS THE POWER OF THE ELITE!

CONDITIONS FOR A SUCCESSFUL DEVELOPMENT BARGAIN:

- COMMITTING TO PEACE & STABILITY
- KNOWING WHAT YOU CAN & CAN'T DO
- BEING INTERNALLY & EXTERNALLY ACCOUNTABLE

**PROF STEFAN DERCON**

AUTHOR; & PROFESSOR OF ECONOMIC POLICY, BLAVATNIK SCHOOL OF GOVERNMENT, UNIVERSITY OF OXFORD

## WHAT WE WANT TO SEE:

DEEPER COMMITMENT TO GROWTH & DEVELOPMENT

STATES THAT ARE SELF-AWARE, ACCOUNTABLE & COMMIT TO CONTINUOUS LEARNING

ELITE BARGAIN TO BE MORE INCLUSIVE

