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Efficiency in Urban Governance towards Sustainability and Competitiveness of City: A Case Study of Kuala Lumpur

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***Abstract*—**Malaysia has successfully applied economic planning to guide the development of the country from an economy of agriculture and mining to a largely industrialised one. Now, with its sights set on attaining the economic level of a fully developed nation by 2020, the planning system must be made even more efficient and focused.

It must ensure that every investment made in the country, contribute towards creating the desirable objective of a strong, modern, internationally competitive, technologically advanced, post-industrial economy. Cities in Malaysia must also be fully aware of the enormous competition it faces in a region with rapidly expanding and modernising economies, all contending for the same pool of potential international investments.

Efficiency of urban governance is also fundamental issue in development characterized by sustainability, subsidiarity, equity, transparency and accountability, civic engagement and citizenship, and security. As described above, city competitiveness is harnessed through 'city marketing and city management'.

High technology and high skilled industries, together with finance, transportation, tourism, business, information and professional services shopping and other commercial activities, are the principal components of the nation's economy, which must be developed to a level well beyond where it is now. In this respect, Kuala Lumpur being the premier city must play the leading role.

***Keywords*—**Economic planning, sustainability, efficiency, urban governance and city competitiveness.

I. Introduction

VISION 2020 targets Malaysia to be developed nation economically, socially, politically and spiritually by year 2020. The manifestation and aspiration of Vision 2020 sets the framework for which development is to be steered. The nation is now in its second phase of development towards achieving the Vision. Rapid globalisation, progression in science and technology and the need to capitalise on knowledge-based economy requires the country to have a strong foundation in order to be competitive with other nations. In this context, the direction of development has to be planned and managed systematically and comprehensively to induce the country's capacity to compete globally. The urban sector is an important catalyst towards national economic growth and a vital investment centre for the nation.

Apart from being a centre for social and recreation, urban sector plays an important role in attracting local and foreign investors in economic activities. Therefore, cities must be able to provide a good and competitive environment, complemented with all forms of activities within its territory. Peninsular Malaysia is expected to experience a rapid process of urbanisation by year 2020, with a majority of the population being urbanized. The increase in population means additional space is required for housing, public amenities and infrastructure. Hence, development to be carried out should be able to bring a good return whilst priority being given to environmental protection, through a balanced and optimal use of national resources.

Brain [1] proposed urbanisation issues being emphasized by the government, among other, are urban poverty the rising crime rate, solid waste disposal, housing for the poor, environmental protection, pollution etc. These issues need to be tackled holistically to ensure the role of urban centre as the engine of economic growth will be continuously maintained and enhanced. Cities need to be governed efficiently and effectively to promote a sustainable and conducive environment as a place of work and living. At the same time, the uniqueness of city should also the preserved to maintain its image and distinct identity.

II. The Concept of Urban Governance

Beata Banachowicz & Justyna Danielewicz [2] proposed urban governance implies high organizational efficiency, with respect to the process of the assumption formulation for local and regional development policy and its implementation Thus it contributes to economic development, stabilization and welfare, bringing the transparency of decision-making process, social participation, openness, finance equilibrium and law being obeyed to. Integrated mechanisms, processes and institutions, through which citizens and social groups might state their preferences, negotiate solutions of their contradictions and make use of their constitutional rights, as well as realize their duties, is also being understood as the urban governance. Thus, public governance should guarantee that formulating political, social and economic priorities will be made in accordance with the broadly understood social consensus, with both the poorest and the richest affairs taken into account when decision process influencing resources and goods allocation is being considered.

Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance. Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the

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formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement the decision.

Mc Carney, Halfani and Rodriquez [3] proposed in a lengthy discussion of governance as applied to urban examples throughout the developing world, find that an important element in the development process, explicitly lacking in many official and agency-based definitions, is the connection of government, and particularly local government to emerging structures of civil society. Accordingly, they define governance as "the relationship between civil society and the state, between rulers and ruled, the government and the governed". One reason for the emergence of the concept of "governance" or "urban governance" is that the context within which local government operates has become much broader and more complex.

The term "urban governance" implies a greater diversity in the organisation of services, a greater flexibility, a variety of actors, even a transformation of the forms that local democracy might assume, and taking into account citizens and consumers, and the complexity of new forms of citizenship. The United Nations Human Settlements Program (UN-HABITAT) [4] has proposed the urban governance definition "Urban governance is the sum of the many ways individuals and institutions, public and private, plan and manages the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangement and social capital of citizens.

Cities in Malaysia as engines of economic growth have a vital rote towards attaining the national vision of a developed nation status by year 2020. For the past two decades, the arte of urbanisation has registered a significant increase and in future, is expected to rise further. To address and manage this effectively, there is a need to plan, developed and manage a more systematic and efficient urban service in order to achieve a better quality of living for the community. Hamzah Jusoh [5] has proposed that the potential for urban growth has to be planned in the best possible way in tandem with advances in technology and the challenge of globalisation so as to maximise its contribution to the national economic growth (, 2006). An urban centre is a catalyst and contributor towards the national economic growth, a centre for innovation and entrepreneurship and a source for high social services. Efficient and effective urban governance will help to generate a competitive national development.

A. The Concept of Efficiency in Urban Governance

Simon [6] proposed in its broadest sense, to be efficient simply means to take the shortest path, the cheapest means, toward the attainment of the desired goals. However, efficiency is not limited simply to making incremental efficiency improvements in existing practices, but it should stimulate creativity and innovation in the search for new ways of doing things. In this context, cities must be financially sound and cost-effective in their management of revenue sources and expenditures, the administration and delivery of services, and in the enablement, based on comparative advantage, of government, the private sector and communities to contribute formally or informally to the urban economy.

Definition of Efficiency in Urban Governance

Communities and Local Government Department of United Kingdom [7] defined efficiency in urban governance is about raising productivity and enhancing value for money. Efficiency gains are achieved by one or more of the following:

- Reducing inputs (money, people, assets etc) for the same outputs;
- Reducing prices (procurement, labour costs etc) for the same outputs;
- Getting greater outputs or improved quality (extra service, productivity etc) for the same inputs; or
- Getting proportionally more outputs or improved quality in return for an increase in resource.

The aim of the efficiency in urban governance is to ensure that the resources available to local government are used in the optimum way to deliver better public services according to local priorities.

The Vital Role of Local Government for Efficiency in Urban Governance

Communities and Local Government Department of United Kingdom [7] has stated that local authorities are crucial to the challenge of creating sustainable communities - places where people want to live and work. They deliver the day-to-day services upon which people depend and which improve people's quality of life. Self-evidently, where more resources can be made available to support these activities, there will be significant benefits for everyone.

It is important to recognise that efficiency is not the same as economy. The challenge of the efficiency agenda requires a very different response compared to a simplistic cuts agenda. Instead of cuts in services and budgets, the response to the efficiency agenda includes innovation in service delivery, investment in technology, rationalisation of back office functions, and organisational development.

There are examples of good efficient practice in local authorities, where councils have adopted these kinds of approach to getting more from their resources. Our aim as central government is to facilitate the spread of good practice and to support the adoption of innovative solutions. We do not want to impose 'one-size-fits-all' policies on councils, but help to make available the information that authorities need to select the right answer for them from a range of options.

Like other parts of the public sector, local government has been transforming its services both to better meet the needs of local residents and businesses and also to deliver more efficiency gains. Exploiting the opportunities offered by new technologies is one way councils have been improving the

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delivery of many services whether at the customer interface or in the back office. Smarter procurement practices and initiatives such as setting up services shared between authorities are also delivering improvements in future local government.

B. Characteristics of Efficient and Efficiency in Urban Governance

The United Nations Human Settlements Program (UN-HABITAT) [4] proposed efficient and efficiency in urban governance is characterized by **sustainability, subsidiarity, equity, transparency and accountability, civic engagement and citizenship, and security.**

Sustainability

Sustainability in all Dimensions of Urban Development

Cities must balance the social, economic and environmental needs of present and future generations. This should include a clear commitment to urban poverty reduction. Leaders of all sections of urban society must have a long-term, strategic vision of sustainable human development and the ability to reconcile divergent interests for the common good.

Subsidiarity

Subsidiarity of Authority and Resources to the Closest Appropriate Level

Responsibility for service provision should be allocated on the basis of the principle of subsidiarity, that is, at the closest appropriate level consistent with efficient and cost-effective delivery of services. This will maximize the potential for inclusion of the citizenry in the process of urban governance. Decentralization and local democracy should improve the responsiveness of policies and initiatives to the priorities and needs of citizens. Cities should be empowered with sufficient resources and autonomy to meet their responsibilities.

Equity

Equity of Access to Decision-Making Processes and the Basic Necessities of Urban Life

The sharing of power leads to equity in the access to and use of resources. Women and men must participate as equals in all urban decision-making, priority-setting and resource allocation processes. Inclusive cities provide everyone – be it the poor, the young or older persons, religious or ethnic minorities or the handicapped -- with equitable access to nutrition, education, employment and livelihood, health care, shelter, safe drinking water, sanitation and other basic services.

Transparency and Accountability

Transparency and accountability of decision-makers and all stakeholders

The accountability of local authorities to their citizens is a fundamental tenet of good governance. Similarly, there should be no place for corruption in cities. Corruption can undermine local government credibility and can deepen urban poverty. Transparency and accountability are essential to stakeholder understanding of local government and to who is benefiting from decisions and actions. Access to information is fundamental to this understanding and to good governance. Laws and public policies should be applied in a transparent and predictable manner. Elected and appointed officials and other civil servant leaders need to set an example of high standards of professional and personal integrity. Citizen participation is a key element in promoting transparency and accountability.

Civic Engagement and Citizenship

People are the principal wealth of cities; they are both the object and the means of sustainable human development. Civic engagement implies that living together is not a passive exercise: in cities, people must actively contribute to the common good. Citizens, especially women, must be empowered to participate effectively in decision-making processes. The civic capital of the poor must be recognized and supported.

Security

Security of Individuals and their Living Environment

Every individual has the inalienable right to life, liberty and the security of person. Insecurity has a disproportionate impact in further marginalising poor communities. Cities must strive to avoid human conflicts and natural disasters by involving all stakeholders in crime and conflict prevention and disaster preparedness. Security also implies freedom from persecution, forced evictions and provides for security of tenure. Cities should also work with social mediation and conflict reduction agencies and encourage the cooperation between enforcement agencies and other social service providers (health, education and housing). Therefore, development potentials that exist in urban areas should be continuously adopted and supported as a place for investment.

III. 9TH MALAYSIA PLAN 2006-2010 GOOD GOVERNANCE FOR SUSTAINABLE DEVELOPMENT AND COMPETITIVENESS

The Economic Planning Unit, Prime Minister's Department of Malaysia [8] proposed the capacity of the infrastructure and utilities networks was expanded to meet the increasing demand of users as well as stimulate growth through its linkages and spill over benefits. The implementation of housing and urban services programmes contributed to the enhancement in the quality of life and living standards of the population in the urban and rural areas. Efforts will be undertaken to improve the coverage and quality of urban services. During 9th Plan period, the Government will place emphasis on preventive measures to mitigate and minimise pollution. These efforts will enhance protection of the environment and conservation of natural resources and contribute towards improving the quality of life.

The 9th Malaysia Plan period witnessed a renewed commitment by the government to promote good governance and will be continued with Government taking steps to enhance the integrity, transparency and accountability of the public and private sectors and further improve the level of good governance. These measures will help address corruption, reduce wastage and the cost of doing business as well as increase the efficiency of public service delivery and corporate

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sector. These gains from good governance will make Malaysia more competitive and attractive to investors and facilitate the achievement of the nation's development goals.

The scope of efforts to enhance the public sector delivery system encompassed land administration, services of local authorities, investment facilitation, quality management, performance measurement, consolidated licenses and permits, improvements in counter services, management of public complaints, reduction of bureaucratic red tape and ICT development. The commitment to enhance the efficiency and effectiveness of the public service delivery system will continue in order to reduce the cost of doing business, encourage private investment and positively influence investor perceptions about Malaysia as a preferred destination for trade and investment.

IV. Issues and Improvement of Urban Governance in Malaysia

A. Rapid Rate of Urbanisation

Urbanisation in Malaysia has developed rapidly especially during the last two decades whereby the rate of urbanisation has increased from 54.3% to 65.4% between 1991-2000. This is expected to increase to 75% by 2020. The increase in population will mostly concentrate in major conurbations such as Kuala Lumpur, Georgetown, Johor Bahru and Kuantan. The high rate of population increase requires the development of new areas for housing, social amenities, commercial and other urban land uses. The lack of clear urban limits has led to the creation of urban sprawl encroaching upon environmentally sensitive areas, major agricultural areas and areas unsuitable for development.

In addition, non compliance with the existing development plans has also contributed to this problem. This situation has given rise to various urbanisation related woes such as environmental pollution, traffic congestion, brown field areas, loss of inner city attractions, infrastructural decay, lack of social amenities and green areas; ultimately resulting in degradation in the quality of urban living. The problem of conflicting land use still exists especially in towns that experience rapid growth considering the high demand of land use at strategic areas. The existence of illegal factories in urban areas has caused much environmental pollution.

B. An Efficient and Sustainable Urban Development

Urban development should have a clear guidance on the direction of future expansion to accommodate an orderly and manageable development. The development of an urban system needs to be based on clear system of hierarchy so that the provision and distribution of facilities and infrastructure will be more efficient, thus, preventing wastage of national resources. Urban development needs to be carried out within a specified area to ensure urban sprawl is avoided. Towards this end, land use development should be based on the adopted development plan and comply with all policies, programmes and action plans proposed by the respective plan.

The urban limit needs to be identified to implement the development of a more efficient land use. Urban development should be implemented in accordance with the principles of smart growth with emphasis on redeveloping suitable areas especially in urban centres and brown field areas, preserving green areas for recreational purpose and conserving environmentally sensitive areas. This is to prevent development from encroaching upon agricultural and environmentally sensitive areas, to promote the optimum usage of existing infrastructure and to revive the attractiveness and liveliness of the urban centres. Urban redevelopment programme of suitable and strategic areas in one way of increasing the efficiency of urban areas.

C. Ineffective Urban Governance

National Urbanisation Policy of Malaysia [9] proposed with the rapid pace of urbanisation by 2020, urban governance is faced with various complex challenges a head. These challenges require that the respective parties be more focused in undertaking parties be more focused in undertaking each and every responsibility in urban development. However, the involvement of multiple agencies and departments in urban management had made it difficult to coordinate many actions and in turn affects the effectiveness of those actions. Good urban administration and management also need to take into consideration the capability of each local authority as each local authority as each differs in terms of manpower, skills and financial capacity to provide good service for its population. There is wide gap between the expectation of the community and the ability of the local authority to fulfil those expectations.

The various roles that are expected of these local authorities to attain a liveable city with a high quality of living had put pressure on those authorities to acquire a strong organisation. The pressure is left more intensely by small; and medium sized local authorities that lack finance, manpower, skills and equipment in providing the expected services. The local authority is also confronted with the diverse aspirations and interests of community groups that it has to fulfil, as well as various social issues and negative influence. Public cooperation and involvement are much needed to address these problems. However, community participation that are too brief pertaining to activities organised by the local authority also inhibit and do not fulfil that aspiration of the local authority at involving the community in planning and development of urban areas.

D. Effective and Efficiency in Urban Governance

An effective urban governance system should be established to administer urban growth and development a various levels particularly the local authority level. This will ensure that the value of assets, economy, social and the environment will be maintained and value-added towards attaining sustainable urban centres in Malaysia. The local authority, as the main agency responsible to urban management, needs to update the administration and management system to optimise its financial revenue including new sources, upgrade its capacity to enable towns to become more competitive and viable, strengthen

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human resources by employing skilled and experienced staff as well as expand the use of technology.

With rapid urbanisation, local authorities should emphasize the use of innovative approach and technology to reduce cost and increase efficiency in all aspects of urban planning, development and management. In addition, these efforts will contribute to the management of a more viable environment. The management and administration system practised should be founded on an ethical work culture, be transparent and efficient to ensure a more effective delivery system. In this light, there is a need to review and strengthen the respective system and work procedure, implementation approach, standards and guidelines to achieve the highest standard of services.

To complement actions being carried out, he existing legislations related to urban administration and management should be reviewed for more effective enforcement and implementation of the urban development. Local authorities need to cooperate closely with the local community, on-governmental organisations and the private sector to plan and implement appropriate urban planning and management programmes that meet with their requirements for sustainable development as mooted in the Local Agenda 21. Such cooperation will provide opportunity for the local community to monitor and give feedback on the programmes implemented in their respective area. To facilitate this proposal, the local authority should establish a unit responsible for coordinating and managing programmes to improve local community participation in urban planning and governance activities.

E. Less Competitive Urban Economy

The United Nations forecast that 60% of the world population which is equivalent to five billion people will reside in urban areas b b2030. With more than three quarter of the population living in urban area in Malaysia by 2020, the demand for employment in urban centres will significantly increase. This will put a pressure to create enough employment in urban areas to meet the increasing demand as well as reduce unemployment to an acceptable level. A high unemployment rate will result in various social issues related to poverty, crime and nuisance. The pressure to create employment will be more intense in the conurbation which is expected to encounter competition from other cities worldwide due to globalisation and trade liberalisation. This is because the conurbation is anticipated to lead the nation in securing foreign investment, and in turn become competitive centre to attract investors.

Thus, one of the challenges of the urban economy is turn urban areas into investment and commercial centres. It should have the capacity to attract foreign and local investment and trade in order to achieve a viable economy and provide adequate employment opportunities.

F. Development of an Urban Economy that is Resilient, Dynamic and Competitive

There is a need to identify the economic strength and specialization of each urban centre to develop, promote and strengthen its future growth and development. A strong correlation between economic growth and urban growth further clarifies the role of the local economic base in national economic growth. A major conurbation will encounter challenges from globalisation and technological development including the emergence of knowledge-based economy. The growth of knowledge-based economy requires a high level of competency among administrators, service providers and consumers. The improvement of skills of the urban dwellers will further accelerate economic growth, expand knowledge, and lead to the upgrading of skilled manpower.

Besides encouraging the growth and development of major urban centres, the economic development of medium and small sized urban centre should also be supported as they provide consumer goods to the urban population. Small towns also have an important role in improving the standard of living of the rural population as they function as commercial and trading centres especially in marketing agricultural products. The growth of these small towns creates demand for agricultural products and provides non-agricultural employment opportunities; both of which will improve the economic base of the rural population.

G. Inefficient Transportation System

The Road and Transport Department of Malaysia [10] stated that the total number of registered vehicles for Malaysia was 14.8 million in 2003. Out of this, 47% comprised of motorcycles, 44% were private cars while the remainder were commercial and other vehicles. The large number of private vehicle ownership puts pressure on the capacity of the existing road network especially for larger conurbations like Kuala Lumpur and Georgetown. Furthermore, inefficient public transportation resulted in the tendency for the urban population to opt for private vehicles instead of the public transport. Study on the Integration of Public Transport Development and Land Use in Klang Valley 2003 [11], the ratio of private vehicle usage compared to public transport was 89:11.

These two factors have contributed to the acute problem of congestion in those cities. In the long term, this will have negative impact on the competitiveness and the attraction of those cities to draw local and foreign investors. Basically, the current transportation system is insufficient to handle the problem of congestion and provide services incorporated with safety and user-friendly principles to the urban dwellers. Transportation facilities are provided without taking into account the need to integrate the different modes of transportation subsequently make it difficult for the user to change the modes of transportation. The provision of physical infrastructure for public transportation system such as covered pedestrian footpath and bus stops that enhance the comfort of the user.

H. An Integrated and Efficient Urban Transportation System

An efficient and comprehensive transportation system is vital in enhancing the competitiveness of an urban centre. The

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increase in population and high private vehicle ownership compound by an inefficient public transport calls for a strategy that could resolve these issues. Thus, the development of an integrated transportation system needs to be implemented with emphasis on multi-modal and environmentally friendly features to address the problems of congestion in large cities like Kuala Lumpur, Georgetown and Johor Bahru Conurbations. A policy that promotes the use of an integrated public transportation system that is effective and affordable to all levels the population should be formulated. Furthermore, traffic management has to be implemented comprehensively in order to reduce congestion in the cities.

I. Declines in Quality of Living for Urban Dweller

The decline in quality of living in urban areas is one of the major issues that arise out of poor management of urban development. For a town to be both viable and sustainable it is necessary to provide quality support infrastructure and a high quality of living derived from the provision of adequate housing, education, recreation and health facilities. In respect of the provision of housing, the main issue is the lack of housing for the low income group. Although the supply of housing is generally in excess of actual demand, the supply of housing for the urban poor is still insufficient as the price of these houses is beyond the reach of this group.

In terms of social facilities, it was found that the provision of recreation areas is generally inadequate for all towns in Malaysia. Moreover, there is a problem of maintenance of facilities as well as being non-user friendly since the location and design of facilities do not take into account the needs of certain segments of the society such as the disabled, children and elderly. Vandalism of public properties also exists and leads to not fully utilised facilities. The rapid growth of the urban population has also increased the demand on infrastructure and utility which is beyond the capacity of the existing facilities. In terms of the quality of urban services provided, it is generally beset by a low level of service incapable of fulfilling the urban dwellers expectations.

J. Provision of Urban Services Infrastructure and Utility of Quality

The provision of infrastructure and utility should be viewed in terms of fulfilling the demand of the population and supporting the growth of the urban economy as well as contribute to the competitiveness of the particular township. Infrastructure and utility need to be adequately provided in terms of quality, coverage of distribution, and be of high quality that utilizes the latest technology. The provision of infrastructure and utility should be coordinated with the hierarchy level; and function of town. In conurbation areas, the supply of utilities such as electricity and telecommunication should be of higher standard to meet the requirements of value-added and k-economy activities. Moreover, these facilities need to have an efficient level of management and maintenance with good back-up services to reduce interruption during service.

For an efficient urban service, the main strategy is to widen its coverage and improve the quality of service by ensuring the sustainability and cost efficiently of maintenance. Major urban services such as waste collection, sewerage maintenance, drainage maintenance, cleaning and management of public places should be provided extensively and be of high quality. This will improve the quality of living of the local population as well as increase the attractiveness of the urban area. For more efficient and cost effective management of domestic effluent, the existing sewerage system needs to be improved in addition to the construction of new facilities. The involvement of the local community needs to be encouraged to assist the local authority in administering and managing the urban area.

K. Degradation of Environment Quality

Rapid urban development has contributed to the degradation of environmental quality especially the quality of water, air and noise. Many rivers which are major sources of water have undergone degradation in water quality due to the pollution from domestic waste, industrial effluents, suspended particulates from soil erosion and heavy metal pollution from factories. Air pollution has also increased due to emission from motor vehicles, industrial development and use of non-environmental friendly fuel sources. Furthermore, increased human activities and high population density have also generated noise pollution in urban areas.

L. Creation of Conducive Liveable Urban Environment with Identity

Society today is primarily concerned with a comfortable, user-friendly living environment with facilities for social integration, in addition to creating a sense of belonging for its population. This thrust shall emphasize on peaceful urban living to be equally enjoyed by all urban residents so as to achieve the goal of improving solidarity. As the urban population increases, the urban environment should be planned and managed as more attractive place for living, working and recreation. To create a liveable urban environment, it is vital that sufficient basic facilities such as housing be provided, particularly for the low-income group and foreign workers.

Housing should be located close to the place of work with good accessibility to public transport and public amenities. Major public amenities such as schools, recreational areas, and sport complex, places of worship, health facilities and cemeteries should be adequately provided at suitable locations for use by all groups of the urban population. The level of provision for public amenities should be based on the hierarchy of a town so that appropriate facilities may be provided. For the main conurbation, such provision should consider the needs of the business community that require various facilities of higher quality.

Like most cities in the developing world, Kuala Lumpur has grown at a phenomenal rate driven primarily by the need to create wealth. As Malaysia moves toward a developed status, Kuala Lumpur has experienced rapid development which has left a city that is, in many respects, disjointed and lacking in

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visual and physical coherence. Consequently there has been a decrease in the legibility of the city structure together with a certain loss of historical continuum and sense of identity. The ethnic and cultural composition of a city determines its character and form urban design.

V. Challenges of Malaysia's Business Competitiveness in the Global Economy

A. Challenges of Malaysia's Business Competitiveness

Competitiveness is more often than not driven and determined by soundness of infrastructure development as well as the quality of life a place provides for its people, be it its nationals, residents, its investors or tourists. It is all those who claim a stake in the success of a place; the Nation. Fundamentally the competitiveness of a place must be the sum total of what a place aims to attract as its outcome. To illustrate an example, if the competitiveness of a place is in its tourism, it would therefore lend all its efforts to drive every feature it has to make it as competitive a tourist spot as it needs to be to reap its optimal Unique Selling Proposition, as it were. In the same vein, what is essential for Malaysia of the 21st Century is to determine what this Nation must have, to make it competitive domestically and globally.

Malaysia has the opportunity of creating a regional education hub, global biotech industries, global information technology backup services, virtual university platforms as well as moving up the value chain of service and building our local businesses in all industries into MNCs. To do this, one would argue we need efficiency in urban governance that supports an economic system that promotes and facilitates the ability of business enterprises to compete effectively in the international markets and ensure the betterment of standard of living domestically. Through the 70s and 80s Malaysia experienced the New Economic Policy. This required us in the efficiency in urban governance to assume a "Developmentalist" role, so to speak, of national development and nation-building where we focused on enhancing and upgrading capacity and capabilities.

We then took on the roles of Facilitators in the 1990s, for ten years, with the implementation of the National Development Policy. This called on the Government to facilitate national reforms for the advancement of a production-based economy. In 2001, when the National Vision Policy was introduced, it mandated the Government to assume the combined role of ~~a~~ Developmentalist as well as Facilitator in realising the Vision set in these commitments. Today the Government must assume the role of an innovator, incorporating the functions of a leader, a pacesetter, a moderniser, an effective communicator and a trendsetter. Evolution of Malaysia's landscape to set the scene of how we have had to purposefully rise to the challenges and needs of the times locally and globally.

What we need to ask ourselves is: as a Nation, have we moved forward, backwards, or remained stagnant through the evolution of the last 30 years? How do we measure our competitiveness and what and who defines the very measure of this competitiveness? And more importantly, what are the components in a nation that makes for this competitiveness? National competitiveness has been defined by many as a globally pitched ranking and is often linked with efficiency in urban governance delivery. There must be an inclusive partnership between the private and public sectors as well as civil society as all our individual needs, demands and wants form the Nation's fabric and collective need.

Each of the cogs must move with the wheel to set it in the right motion forward. Competitiveness cannot emanate off a situation where only one of the constituents is called to be accountable and responsible for advancement and development.The general assumption that business is market-driven and therefore only the most efficient survive is not entirely true. We may be the most efficient but if the elements in that market do not move in concert with our level of efficiency, we will not be as successful as we could be. Just as the efficiency in urban governance delivery system is often scrutinised, there is a need to review private sector service delivery systems and its integrity. Take for example financial institutions and the development of these institutions.

Are these financial institutions supportive of businesses, especially small, medium and indigenous businesses? Or are they so risk averse such that they make it difficult for businesses to start and expand. This can result in the Government having to intervene where innovative solutions and creative business models would have proven more effective. The same is true with other service providers. Can the private sector be as competitive and see profits grow without dependence on foreign labour? Can they expand without keeping pace with improvements in public sector and the increasingly discerning customers? Are our business models, public and private sector alike, innovative enough to spur wealth creation? Can the model that is said to no longer work for a public sector today continue to work for a private sector in the same genre?

It is on the fundamental acknowledgement that no one party can be solely responsible for competitiveness of a Nation that our Prime Minister initiated the partnership between the public and private sectors on 7 February 2007. The special task force called **PEMUDAH (Special Taskforce to Facilitate Business)** was established, as you well know by now, to improve the ease of doing business in Malaysia. Suffice to say the Task Force has begun addressing various aspects of the public and private sectors which directly and indirectly affect the ease of doing business in Malaysia. A simple issue like traffic jams could affect our competitiveness as much as corruption and transparency.

However the real strength and value of the Task Force is in creating a sense of urgency to enhance service delivery for the public sector as well as ensuring that the private sector have an equally important role in national competitiveness and must have the very attributes that the public sector is often rebuked and berated for lacking, such as integrity, delivery standards, efficiency, consistency and accountability. In this context, in the case of corruption, it is imperative that firm actions are taken against those who accept bribes. And also, just as

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important, the giver of bribes should be punished accordingly. One other area which poses both opportunities and threats is globalization.

An almost flogged horse, globalization, brings with it not only new economic opportunities but also new political, social, technological, and institutional complexities. The challenge for any efficiency in urban governance in the face of globalization is to reduce disparity caused by fast growing economies. It is our responsibility therefore to make certain that the cake of wealth and prosperity grows with ground breaking and pioneering economic models and that it is shared by all: the simple Joe to the big MNCs. Everyone who claims a stake in the success of that Nation must truly experience that success or we would just be window dressing our sense of competitiveness.

In the context of Malaysia, we are working towards reducing income, employment and wealth disparities in our society through programmes defined in the 9th Malaysia Plan. We have initiatives and programmes to train, support and counsel individuals, families and communities in our effort to eradicate hard core poverty by 2010 and reducing poverty levels to 2.8% in the same period. A Nation's competitiveness cannot remain a going concern if its poverty levels prevail. Disparities and poverty levels often provide a gauge of market activity and competitiveness of a place and it is therefore imperative that we are able to respond effectively in these matters.

For the first time, perhaps, public servant in the public sector "went public" with our promises in the name of accountability and transparency such that we can be held to scrutiny by our stakeholders. Why, you might ask, did we "stick our necks out" when we didn't need to? This commitment is driven by our acknowledgment that the approach we assumed in the last decade is not necessarily the right one for the next. The test of whether we are headed in the right direction must surely come from our answer to the question: "Are we making a difference?" Will we be relevant tomorrow as we have been today and yesterday? Gone are the days when public officials could choose to ignore the media, complaints, telephone rings or even letters to editors.

The efficiency in urban governance today has to respond not only to the conventional media but the alternative media. In the past the alternative media was associated with "young punks". This no longer holds true as the alternative media, you know, knows no limit: be it age, time, geography. Everyone say almost everyone has a blog to his or her name. The speed of information is such that countries and companies today need web based crisis management plans to address effects of negative blogging in times of crisis. Even the Prime Minister himself has initiated a website where the public can write directly to him on any and all issues. The *website warkahuntukpm.com.my*, which was launched on 1 March 2008, enables the Prime Minister of Malaysia to interact directly with the civil society, the public at large and all of Malaysia's stakeholders.

If the Prime Minister is taking and making all efforts to engage the public individually and directly, surely this clearly sets the standard of service for the public and private sectors. Gone are also the days when variations in quality of service delivery could go unnoticed. In the past there was deference to the providers of efficiency in urban governances, and a consequent willingness to accept gratefully, or reluctantly, whatever they offered. That no longer holds true in this climate. Our customers demand not just service, but service with consistency. They will not stomach anything less. To rise to these and similar challenges, the efficiency in urban governance of Malaysia and indeed its private sector too, need people who possess a world view which integrates entrepreneurial dynamism with selfless nation-building.

This will create a vibrant Malaysia that will be very attractive for business and a great place to live! The imperative for all of us is to understand that each of us have a role in ensuring Malaysia's competitiveness. Whilst there has been enormous focus and attention placed on the public sector, the private sector's efficiency merits equal attention. The role of civil society in how it constrictively acknowledges and accepts standards also defines our level of competitiveness. If civil society ignores or condones corruption, we develop a corrupt society and the reverse holds true. The same can be said for standards of service which we tolerate. We must be acutely aware of how we impact on each other's performance and how our day-to-day decisions affect people and the larger systems around us.

B. Current Scenario Malaysia's Businesses in Competitiveness of the Global Economy

Today, Malaysia ranks well when compared to others in the region. For instance,

- In the 2007 World Competitiveness ranking, out of 55 countries, Malaysia ranked 8th;
- Malaysia ranked 6th on Government efficiency;
- On Business efficiency, Malaysia are ranked 4th;
- On Infrastructure development, Malaysia ranked 10th;
- In the World Bank's "Doing Business 2008" Malaysia ranked 24th out of 178 countries on the ease of doing business.

However Malaysia can and must do better than this. Malaysia is blessed with resources to achieve greater heights, and we must rise to these obligations in building better tomorrow for our children and grand children. This indeed is a moral imperative for all those with the means to make that difference. In the development of the efficiency in urban governance, we need to consider the likely future developments in both locally and globally. In this respect, there are some possibilities that may develop into opportunities for the betterment of mankind and some that may cause difficulties, if not resolved properly.

One area which poses both opportunities and threats is globalisation. Globalisation, almost a flogged horse, brings not only new economic opportunities but also new political, social, technological, and institutional complexities. Therefore, it would be safe to say that in order to benefit from more open and widespread economic interaction we need efficiency in

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urban governance that supports an economic system that promotes and facilitates the ability of business enterprises to compete effectively in international markets and ensure the betterment of standard of living locally.

We need Public Officials who possess a world view which marries dynamism with entrepreneurial characteristics. This will have the Service leap frog from being mere administrators, as we are reputed for being the world over, to one of an enabler of partnerships between the private and public sectors in developing a dynamic Malaysia that is very attractive to foreign and domestic investors, alike. The creation of PEMUDAH is but a first step towards realisation of the vision of this journey.

Malaysian efficiency in urban governance has been pursuing reform efforts since 1980s such as the Privatisation Policy 0supported by Malaysian Incorporated Policy and other efforts reflected in initiatives such as MSC, KPIs, One Stop Centre (OSC), Customer Service Office (CSO), and "One Service, One Delivery, No Wrong Door" policy of late.

C. Adapting to Changes and Challenges

However, above initiatives are no longer sufficient to face the challenges and opportunities posed by globalisation, rapidly evolving technologies, changing demographics and rising citizen expectations. We need the skills to pre-empt future challenges and move beyond our laurel's comforts. Some of the possible threats and opportunities which efficiency in urban governance may face globally in the world of tomorrow; our future world as it were.Two main possible threats of tomorrow are:-

Expansion of E-Commerce and Taxation: We will without doubt see the increasing proliferation of e-commerce cause difficulties for nations to identify which business transactions occurred within their legal jurisdiction for taxation purposes. Are we prepared for this expansion?

Ensuring Access to Clean Water: Much of the world lives without access to clean water. Privatisation of water resources, promoted as a means to bring business efficiency into water service management, has instead led to reduced access for the poor around the world as prices for these essential services have risen. How the Service deals with this is essential in addressing poverty issues?

With these threats, we also see three areas of opportunities:

Growth from Digital Media - The media landscape is changing at a breakneck pace. Media can now be consumed over a plethora of devices anywhere, anytime, and on-demand. The advent of digital convergence and broadband wireless technology creates enormous opportunities to fulfill pressing public needs in areas such as education and workforce development, civic discourse, and public health. This allows for service without borders – be it borders of time or geography.

Dependency on Public Goods - Everyone depends on "public goods"; neither markets nor the wealthiest person can do without them. Clean environment, health, knowledge, property rights, peace and security are all examples of public goods that could be made global. The efficiency in urban governance has and must continue to enhance its role in this area for the betterment of societies.

Public/Private Sector Cooperation - Following on from these ideas on "Public Goods", the private sector assumes increasingly important roles in producing goods and providing services that were once considered "public" and therefore exclusively the responsibility of governments. Public-private-partnerships (PPP) and other forms of cooperation between the private sector and local and national governments are used frequently around the world to develop better standards of living for all.These are but some of our threats we need to fend and opportunities we can ride on. To balance and optimise the two, we need public officials to be the change that we wish to see in this government. We therefore need efficiency in urban governance that will rise to these changing yet unchartered expectations.

Alan Digaetano & John S. Klemanski [12] proposed ssuccessful cities are associated with a specific quality, promise, attribute or feature. These simple principles can have a significant impact on people's decision to stay in place, visit it, buy its products or services, and locate its business there or otherwise. It is the duty and responsibility of our Local Authorities, regardless of whether they are big or small, to deliver the features and the attributes for the place you run. When we operate from a principle of "we should treat others the way we want to be treated", that in itself develops the competitive advantage due to our cities, districts, towns, and municipalities.

This is what makes a place different to the one next to it. These are the criteria that will determine what sort of tourists and investors we attract to our Country. They go beyond the hard developments to the softer amenities and service and quality delivered on promises made. The Local Authorities is the nucleus of the society it serves. Sometimes it may be a fair reminder to return to basics and ask questions of the nucleus concept in societal development. We need Local Authorities that serve 21st Century Malaysia. Local Authorities form the very essence of service delivery, where the rubber meets the road.

VI. Kuala Lumpur as Sustainability and Competitiveness City

A. The Globalisation Process

The decline in trade barriers, the vast improvements in transportation and communication systems and networks over the last few decades have enhanced the volume of international trade in goods and services. Accompanying these are the enhanced international mobility of human resources, short and long-term capital and the growth in the number, strength and influence of transnational companies. The world economy has consequently become more integrated and global in nature. Major economic activities especially manufacturing have become more dispersed globally as processes within the production chain of increasingly more complex consumer and

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capital goods move to places that offer the best competitive advantage.

Kuala Lumpur Structure Plan 2020 [13] proposed the global dispersion of production and marketing activities of transnational companies requires the global dispersal of management, control and support. This is achieved by the establishment of regional headquarters offices in strategically located cities which can offer suitable infrastructure, supporting services, living environment and other ancillary activities. Many cities that have assumed an important role by providing a base for the efficient conduct of international business have attained the status of 'global' or 'world' cities. Examples of top ranked global city are London, New York, Paris and Tokyo. Others that play more of a regional or sub global role within the Asia Pacific Region are cities such as Hong Kong, Singapore and Sydney.

In addition to the globalisation trend, another factor that is and will influence the growth of the nation and that of Kuala Lumpur is the increase in the importance of the knowledge-based economic activities especially those relating to the development of information and communication technology (ICT). Frannie Leautier [14] proposed industries that generate knowledge such as research and development in biotechnology, computer software multimedia applications, new technology for the computer and other hardware and industries that process distribute and manage information such as educational institutions, telecommunication and Internet systems, advertising and professional services are the key drivers of the Knowledge-Based Economy (K-Economy).

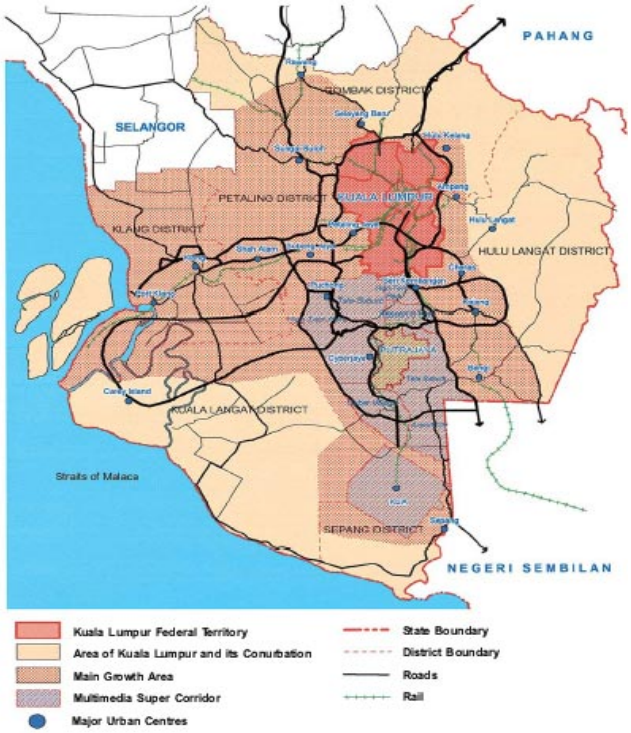
B. Economic Base and Population

In so far as Kuala Lumpur is the capital of the nation, its economic catchments encompass the entire country. The present range of human activities in the City, its infrastructure and buildings, its parks and monuments, its spectrum of social, spiritual, recreational and entertainment facilities, and its concentration of governmental and nongovernmental institutions, are manifestations of the City's function as the capital of the nation. With the relocation of federal government administrative functions to Putrajaya, some diminution of this role is likely to be felt, but the City will remain the economic and business centre of the country.

At the same time, Kuala Lumpur and its conurbation (KLC) form a region that is the most industrialised and economically the fastest growing in the country. Furthermore, the development of the KLIA at Sepang, the creation of the MSC, which includes Putrajaya and Cyberjaya, and the expansion of Port Klang have reinforced the national and international economic significance of the City. City Hall Kuala Lumpur [15] proposed as an international business centre, Kuala Lumpur vies with cities such as Singapore, Bangkok, Manila and Hong Kong for primary position in the Asia Pacific Region. In realising its vision to become A World-Class City, Kuala Lumpur must address the regional, national and international perspectives, embrace the opportunities presented and define its specific role.

C. Local Agenda 21

Agenda 21, a comprehensive programme for action relating to sustainable development, was adopted at the United Nations Conference on Environment and Development (the Earth Summit) in Rio de Janeiro in 1992. A fundamental tenet of Agenda 21 is that development must be sustainable, that is, it must be able to meet the needs of the current generation without compromising the ability of future generations to meet their own needs. The strategy of sustainable development is one, by which communities seek economic development approaches that benefit the local environment and, at the same time, enhance the quality of life. Local Agenda 21 grew out of Agenda 21 and is aimed at forging a partnership between local authorities and the public they serve, so that they may work together to plan and care for their surroundings within the context of sustainability.



Source : City Hall Kuala Lumpur. *Kuala Lumpur Structure Plan, 2020*

D. Quality of Life in Kuala Lumpur City

Quality of life encompasses the fulfilment of all human needs such as a satisfactory standard of material life, health, education, security, the satisfaction of living in a clean environment as well as the enjoyment of the aesthetic and the spiritual. In short, it relates to the general well being of the populace. For governments, including a city government like City Hall Kuala Lumpur, the responsibility in bringing about a high quality of life is in ensuring that, inter alia, the necessary infrastructure of utilities and amenities, the institutions of social organisation and governance that permits an acceptable level of individual expression and choice, are in place.

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For the individual, a prerequisite of a good quality of life is an adequate income, sufficient to permit access to the facilities that the City can provide. These initiatives include programmes to eradicate poverty. To achieve a world-class status, it is incumbent on Kuala Lumpur to provide a high quality of life for its population, both in terms of the facilities that the city can offer and in the creation of a framework within which all residents can have equitable access to its facilities and free from poverty. A safe city programme should be undertaken to address the problem increasing crime rate in urban centres.

Household Income

Household income includes both earned and unearned income. 'Unearned' income includes rental income (or imputed rental income of owner occupied houses) and capital gain from property ownership. This is an important factor in the improvement of income and net worth of low income households. As property values increase with the growth of the economy and of the City, the income and net worth of property owning low income households increase. Home ownership shall be the main aim of the City's low cost housing programmes so that owner-occupiers can enjoy capital gains from their properties.

Owners of low cost housing should be permitted to mortgage or sell their properties to realise the capital gains if they so desire. This will enable those in the lower income group to raise funds to finance productive investments in education, business or acquisition of better properties. In spite of the initiatives undertaken by the City Hall Kuala Lumpur to create opportunities to enhance income and to provide housing, health and educational services, there are still poor groups existing in the City.

Social Programme

To further assist the low income group and urban poor, City Hall Kuala Lumpur shall provide financial, organisational and expert assistance through its social programmes to raise the income and improve the quality of life. Programmes to support and develop business initiatives for this group shall be encouraged.

Improvement of Public Services

Good access to high quality public, social and cultural facilities will contribute a great deal to the improvement of the quality of life of the City's residents. City Hall Kuala Lumpur can provide good governance by recruiting the participation of residents in the improvement of their living environment.

Enhancement of the Local Environment

There is a reservoir of support from Kuala Lumpur residents as suggested by their expressed pride in and sense of belonging to their City. To capitalise on this and to enhance the living environment, a 'self-managed community' concept could be introduced where the residential communities themselves manage and improve their own areas with City Hall Kuala Lumpur providing support in terms of training, materials and expertise.

Transportation

Comprehensive and efficient transportation system networks with good inter and intra city linkages are essential enabling factors to ensure Kuala Lumpur's position as an international commercial and financial centre. For the residents of Kuala Lumpur, the City must be able to provide an efficient and equitable city structure that, as far as possible, allows all members of the community equal accessibility to all areas and facilities so that everyone may enjoy the maximum benefits of city living. The basic structure is now in place with a comprehensive road and rail network that has been built up since 1984, and the programme now for Kuala Lumpur will be to develop, refine and integrate this transportation system to serve the City and its population until 2020.

In this respect, City Hall Kuala Lumpur shall assist in the implementation of a fully integrated transportation system. The increased emphasis and capital expenditure on public transport requires complementary coordination between government departments and other related agencies. City Hall Kuala Lumpur [16] shall take pro-active measures in ensuring the implementation of government policy in relation to the public transport administration. Consistent with the government's policy, emphasis will be on providing an integrated, flexible, wide ranging and efficient public transport system orientated towards passenger accessibility and convenience.

Central to this approach is the integration of public transport modes with each other and with private transport so that, with streamlined inter-modal transfer facilities and integrated ticketing, passenger trips become as convenient and seamless as possible. In order to avoid traffic congestion occurring on local streets, major bus and rail park-and-ride interchange facilities will be located at the points of intersection of the rail stations and major roads. The rail network is the most efficient means of providing high capacity rapid public transport. Medium and long-term plans for the introduction of different types of rail systems such as tram and the expansion of the rail network to outlying areas should be regularly examined in every 10 years for their feasibility.

Buses will remain the principal form of public transport especially outside the City Centre for the foreseeable future. In order to encourage greater usage of bus services, it is essential that measures be undertaken to improve their reliability, coverage, comfort and convenience. Kuala Lumpur City shall also implement measures to create a network of bus terminals on the periphery of Kuala Lumpur for buses and coaches serving separate inter-regional and intra-regional services. These terminals will be integrated with the rail system via multi-modal interchanges to enable easy access to the City Centre and other areas of the City.

Infrastructure and Utilities

The quality of life of a city is always measured against the quality of its infrastructure and utility services and the general level of satisfaction of its citizens with such provisions and services. The efficient and reliable delivery of essential services is, therefore, a minimum expectation of a modern city. In order

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for Kuala Lumpur to achieve the status of a world-class city, its infrastructure and utilities must be of the highest quality, without any problems associated with interrupted supplies, shortages, the use of substandard equipment or materials or unsatisfactory services.

Although, in many cases, City Hall Kuala Lumpur has no direct control over the adequacy of provision of infrastructure, utilities and services, any inadequacies reflect on the City as a whole and, therefore, indirectly on City Hall Kuala Lumpur itself. To that extent City Hall Kuala Lumpur must concern itself with the proper planning and coordination of these services to ensure that they meet the needs and expectations of the City's population. Information technology is now a global driving force in wealth creation and it is essential that modern cities incorporate comprehensive ICT networks in addition to the more traditional infrastructure requirements.

Malaysia has taken a bold step in initiating the MSC, a large part of which extends into the City Centre. Kuala Lumpur must exploit the opportunities afforded by this initiative to make it one of the most developed in the world in terms of ICT infrastructure. The planning of infrastructure and utilities is currently undertaken by independent agencies, each of who develop their own master plans and programmes. However, the master planning of infrastructure services should be coordinated according to City Hall Kuala Lumpur's projections, land use planning and future development. In this way, provisions can be made for land requirements for particular services such as major utility installation, common pipeline corridors and drainage or flood mitigation reserves.

Housing

The residential population of a city is its most important resource and its greatest responsibility. The well being of Kuala Lumpur's inhabitants is the overriding concern of the City authorities and for that reason; housing has always been an item high on its agenda. City Hall Kuala Lumpur ensuring that sufficient housing would be provided for all income groups in the City and that housing was properly distributed so that its residents could be properly served in terms of infrastructure, utilities and community facilities. The strategy has, for the most part, been successfully implemented.

In line with sustainability city, the emphasis will now focus on improving the quality of housing and the housing environment. Improvements in the housing environment shall include enhancing comfort levels both within and outside housing development, upgrading the provision of infrastructure, utilities and community facilities to the level of those enjoyed in other sustainable cities, and improving the visual appearance of housing development. Innovative designs, provision of the latest conveniences and facilities, variety of choice, quality of finish and attractiveness of layout, shall become priority concerns.

Much of the City's older housing stock is in varying states of disrepair. Neglect, poor maintenance and poor construction have all contributed to declining visual amenity in various parts of the City. Upgrading and redevelopment programmes shall be initiated to improve the standards and environmental quality of existing housing stock, whether private or public.

Community Facilities

Ethnically speaking, Kuala Lumpur is, more than any other cities in Malaysia, a true microcosm of the country, and it leads by example in the harmonious coexistence of its multi-ethnic and multi-religious society. Over the next 20 years, City Hall Kuala Lumpur aims to build on this achievement to create a society secure in its community integration and social harmony that does nonetheless celebrate the diversity of its culture. In line with the goal of enhancing the city living environment, the means by which City Hall Kuala Lumpur promotes social cohesiveness is partly through community and social programmes, and partly through the provision of communal and recreational facilities that serve to bring people together in shared activities.

By exercise of its planning and development control powers, City Hall Kuala Lumpur is also the facilitator of government and private projects and facilities that serve the community. Furthermore, as the planning authority for Kuala Lumpur, it is City Hall Kuala Lumpur's responsibility to ensure that facilities for the community are distributed in a fair and equitable manner so that all areas and sectors of Kuala Lumpur are equally served according to their requirements. Until recently, Kuala Lumpur has been mainly preoccupied with development and the creation of wealth for its residents.

It is now a city that has reached a developed status, and must endeavour to consolidate this achievement by improving the quality of life for its residents and developing a truly civic-minded community proud of its identity and mindful of its responsibilities to the rest of society. City Hall Kuala Lumpur will take the lead by aiming to provide a safe and secure environment for the city's residents, while creating a more caring society. City Hall Kuala Lumpur will widen the scope of its concerns to address the needs of the aged, disabled and disadvantaged in terms of support facilities as well as social programmes and infrastructure improvements aimed at enabling greater integration into the life of the City.

A more developed and sophisticated society looks for cultural and artistic stimulus and a thriving cultural environment is the mark of sustainability city. Kuala Lumpur should be developed as a modern entity with a distinctive city identity and image which is endowed with a richness of arts and culture that is the pride of its residents and the nation. Larger and better-equipped facilities, which are conveniently accessible to a wider catchment area by public transport for benefit to the community.

Environment

The City environment includes, on the one hand, the quantifiable aspects of the ambient environment such as air, water quality and noise level and, on the other hand, the less measurable visual and sensual aspects of cityscape and amenity. It is also an important component of the quality of life that the City can afford its population and contributes to the

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overall image and identity of the City. The environmental objective was to secure the best achievable environmental standards through a judicious balance between development, ecology and national heritage.

The strategies supporting this objective were to promote a high standard of environmental amenity in terms of townscape and landscape and to attain an environment free from the major forms of pollution. Environmental programmes subsequent to the City Hall Kuala Lumpur have placed greater emphasis on amenity rather than the ambient environment. The emphasis has changed because of the realisation that environmental considerations should not be limited to concerns about pollution control but should be more positive in aiming to create more comfortable, pleasant and stimulating surroundings.

In addition, standards on matters such as water quality, air quality, noise level, industrial emissions and effluent discharge are determined at a national level, while City Hall Kuala Lumpur has been able to exercise more direct control over such matters as tree planting and cityscape. Although it remains important to respond to the environmental issues faced by the city by taking appropriate preventive, mitigate or remedial measures, a parallel approach should be to direct action and programmes towards creating the particular city character and image arising from the vision for Kuala Lumpur to become a World-Class City.

Furthermore, as the nation's capital, Kuala Lumpur may have the potential and, perhaps the responsibility, to enhance nationally determined standards. Economic activities with involvement of the public should be implemented within the context of Local Agenda 21. The public participation should assist in achieving sustainable development in optimal utilisation of available resources. Phang [17] proposed the concept of eco-partnership, which places emphasis on the concerted efforts of various stakeholders such as private enterprises, various government agencies and community based and non governmental organisations (CBOs and NGOs) to carry out study activities aimed at increasing public awareness on sustainable environment, should be promoted and enhanced.

Landscaping and beautification programmes carried out in recent years have proved to be extremely successful and have helped to transform the city environment especially in the City Centre. These programmes must now be intensified and broadened to cover all residential, commercial and industrial areas of Kuala Lumpur in order to fully realise the objective of creating a Tropical Garden City. 'clean street', 'clean air' and 'clean water' campaigns, in which City Hall Kuala Lumpur in collaboration with NGOs and privatization concessionaires, can take the lead to extend the concept of eco-partnership.

The public should also be encouraged to adopt the 3R concept of 'Reduce, Reuse, Recycle'. Such programmes can be organised at a neighbourhood level. The policies that have been formulated and the guidelines to be drafted, shall form the basis for a comprehensive framework to guide, control and manage new development and improvement works in Kuala Lumpur. In order to implement these measures, the Environment Unit under the Health Department of City Hall Kuala Lumpur should be strengthened to regulate and facilitate coordination with other stakeholders both inside and outside City Hall Kuala Lumpur.

Kuala Lumpur and its conurbation (KLC) is already being prepared to play a global role. The KLIA is being promoted as a regional hub for air travel while concerted efforts are being made to develop Port Klang as a major trans-shipment port for Malaysia and the region. Similarly the development of the Multimedia Super Corridor (MSC) together with the continuous and progressive liberalisation of the trade and finance sectors, reinforces the aim of giving Kuala Lumpur and its conurbation a greater global orientation. Therefore, development potentials that exist in urban areas should be continuously adopted and supported as a place for investment and providing services of a high level.

Nevertheless, there are currently various physical and social problems faced in urbanisation due to imbalance of development. Hence all parties, in particular local authorities should be more innovative, transparent and efficient in promoting urban development that is of quality, healthy, competitive and progressive. Thus, it is important for urban centre, regardless of size, to create a dynamic economic environment in support of commerce and value-added economic activities and knowledge-based industries.

VII. Conclusion

Many challenges faces the city of Kuala Lumpur in this new millennium, transformation of Kuala Lumpur into a world class city and sustainability city will certainly involve concerted efforts by all parties involved. In line with this, the importance of governance and good governance is eminent in administration of developing city like Kuala Lumpur. Governance has given greater attention not only in public administration but also in the operations of private businesses. The task to turn Kuala Lumpur to be amongst the world cities is certainly a difficult one and there are series of programmes and initiatives that has to be carried out by City Hall Kuala Lumpur, being the city manager. As described above, city competitiveness is harnessed through 'city marketing and city management'

Ministry of Housing and Local Government of Malaysia [18] proposed both strategies are achievable through the process of good governance which integrates all sectors including public, private and other social organisations. To accomplish the desired outcome, this integration results in an effective and efficiently managed city. In city marketing, a city promotes its buildings, physical infrastructure and development to enhance its image. Efficiency in urban governance is also fundamental issue in development. Vision 2020 identifies globalisation as one of the major underlying 'mega trends' which Malaysia must follow in order to ensure a sound basis for economic development, a view further emphasised by the Third Outline Perspective Plan (OPP3, 2001- 2010) and Second Industrial Master Plan (1996- 2005).

While Kuala Lumpur may not aspire to join the top rank of global cities within the foreseeable future, as the nation's premier city, it must adopt. Industries and services that have a high export potential are those which are needed to provide the impetus towards globalisation. High technology and high skilled industries, together with finance, transportation, tourism, business, information and professional services shopping and other commercial activities, are the principal components of the nation's economy, which must be developed to a level well beyond where it is now. In this respect, Kuala Lumpur being the premier city must play the leading role.

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