

PM: M'sia must be adaptive in policies to become high-income economy

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Bernama

Prime Minister Anwar Ibrahim said Malaysia must adapt its policies, have strong institutions, and maintain a clear vision of its chosen direction to achieve its goal of becoming a high-income economy.

Anwar said the Madani Economic Framework reflects the nation's high-income economy vision and articulates a dual commitment.

“First, industrial policies should be modernised, focusing on sectoral competitiveness, digital transformation, green growth and value chain upgrading.

“Second, the benefits of economic expansion should be broad-based, particularly for the vulnerable and underserved segments of our society,” he said in his keynote address at the Sasana Symposium 2025 in Kuala Lumpur today.

He added that the Madani reform agenda adopts a whole-of-nation approach as the country prioritises five critical areas, namely fiscal sustainability and governance, subsidy rationalisation, tax reform, human capital upliftment and

institutional integrity.

Anwar pointed out that the subsidy rationalisation is targeted, not blanket, to ensure the assistance reaches those truly in need.

Additionally, he said, tax reform is necessary to expand the revenue base, improve enforcement, and address leakages without burdening the poor.

The premier stressed that the government and the private sector must undertake a mission to become a high-income economy.

“We pride ourselves in being able to attract foreign investments, new technology, artificial intelligence from Infineon to Nvidia, Google and AMD, but then we need to, therefore, uplift our income and talent through digital upskilling, including labour market reforms,” he said.

Regional front

On the regional front, Anwar said Malaysia, as Asean chair this year, has reaffirmed the need to pursue deeper economic integration, anchored in inclusive, resilient and sustainable growth.

He said there is a need to strengthen intra-Asean trade and investment as well as work with other countries.

“We continue to depend on the United States for investments and trade. We enhance our relations with China and other countries in this region. We are (also) working very closely to ensure that the European Union’s (EU) FTA (free trade agreement) with Malaysia and Asean can succeed,” he said.

Anwar underscored digital transformation as a key pillar of Malaysia’s future readiness, guided by national strategies such as the Digital Economy Blueprint, the Financial Sector Blueprint and the Capital Market Master Plan.

“Together, these frameworks lay the foundation for an agile, resilient, and future-ready economy,” he said.

At the symposium, Anwar also officially launched the Digital Asset Innovation Hub, which aims to stimulate financial innovation in a controlled environment for applicants to test new ideas and provide input to fine-tune regulatory and security frameworks.

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