

# **Sound governance, fiscal discipline key to sustaining M'sia's economic transformation**

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**Bernamea**

Prime Minister Anwar Ibrahim has emphasised the importance of strong governance, fiscal discipline and education as Malaysia continues to restructure its economy amid efforts to strengthen growth and reduce inequality.

Reflecting on the government's performance in its first year, Anwar, who is also the finance minister, said the administration had to confront deep-rooted fiscal challenges, including high national debt and systemic inefficiencies, while embarking on comprehensive policy reforms.

"We were struggling in the first year because we inherited huge debts.

"People have to understand that we need to embark on new policies and restructure the economy," he said in his keynote address at the Permodalan Nasional Berhad (PNB) Knowledge Forum 2025 in Kuala Lumpur today.

Anwar said that while Malaysia pushes forward with digital transformation and

artificial intelligence (AI) adoption, the government remains committed to ensuring inclusivity and addressing structural disparities in education and connectivity.

“You talk about AI and digital, but we still need to educate the masses. Celik Madani is one of our initiatives to raise awareness on financial literacy, investment and savings.

“There is still a disconnect between those with full access to connectivity and those in rural or urban poor areas. We cannot tolerate this imbalance,” said the prime minister.

### **Recovering losses**

Anwar reiterated that real progress must be anchored in sound governance, truth, justice and compassion, noting that economic growth cannot come at the expense of social equity and integrity.

He noted recent fiscal enforcement successes, highlighting that the government had recovered RM15.5 billion through stricter action against corruption, smuggling and financial leakages.

“Due to effective enforcement by the MACC, the police and tax agencies, we were

able to recover billions that were previously lost to leakages and racketeering.

“The real question is, how did we tolerate this for decades?” he asked.

Anwar reaffirmed that the government’s next phase of economic reform would continue to prioritise governance, accountability and equitable development to ensure Malaysia’s transformation remains sustainable and inclusive.

- Bernama

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