

Experts: PM steered economy well
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Economists have given Prime Minister Najib Razak full marks for putting the Malaysian economy on "full throttle" mode.

Yeah Kim Leng, Group Chief Economist of RAM Holdings, acknowledged that Malaysia's quick economic recovery has been due to Najib's stimulus plan.

"When Prime Minister Najib took office, it was at the height of the global financial crisis. What we see here is that the PM has passed the most critical challenge of ensuring that we can withstand the synchronised global recession.

"The policies that are implemented have mitigated the effects of the global financial crisis to the extent that Malaysia did not suffer a hard landing," he said.

The Malaysian economy recorded a growth of 10.1 per cent in the first quarter of 2010, its highest quarterly growth in 10 years. The last time Malaysia charted quarterly growth as high was in 2000 when it hit 11.7 per cent.

Yeah attributed the record quarterly performance to Najib's sound policies and in particular, the second stimulus package which had helped to boost confidence and reduce job losses.

He said the prime minister had steered Malaysia through a rough course and "that phase has passed".

"Malaysia's recovery is stronger than projected by market analysts. We recovered in the fourth quarter of last year and the economy expanded by 4.5 per cent," he pointed out.

"Of course, the sharp annual growth is also because the economy contracted last year. So when you compare year-on-year, we have a cyclical rebound," he explained.

Higher interest rates

In view of the prime minister's foresight, Yeah said Malaysia was well-positioned towards the next economic boom.

Equally upbeat is France's Sorbonne-trained economist Norraesah Mohamad, who said the prime minister's "quick response" to jumpstart the economy was working according to plan.

chinese people community and economy According to her, one strong reason for the recovery was the RM70 billion stimulus package injected into the economy last year and was still filtering its way down.

Meanwhile, Najib has indicated that the GDP growth meant more and better jobs for Malaysians.

Bank Negara Malaysia governor Zeti Akhtar Aziz announced an increase in interest rate to counter any spike in inflation following the high growth.

The ringgit also ended higher against the US dollar on Thursday on the back of the country's strong gross domestic product (GDP) data for the first quarter this year.

The local currency was traded at 3.1950/1000 yesterday compared with 3.2030/2070 on Wednesday.

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