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Najib led Malaysia to achieve 'impressive growth'

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'GOOD ECONOMIC MANAGEMENT':

Former Australian high commissioner praises his bold, courageous reforms

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PRIME Minister Datuk Seri Najib Razak has led Malaysia to achieve one of the most impressive growth records in South-east Asia, former Australian high commissioner to Malaysia John Dauth said.

Najib had achieved this by combining social inclusivity and pro-market economic policies, Dauth wrote in an opinion piece published in *The Australian* yesterday.

Ahead of Australian Prime Minister Malcolm Turnbull's visit to the region, Dauth praised Najib for his "bold" and "courageous" raft of reforms.

"Bold measures will always generate controversy. The real point is that good economic management needs them. And Najib has done it."

Dauth, who was based in Malaysia from 1993 to 1996, said since Najib became prime minister, 1.8 million jobs had been created, resulting in a 3.0 per cent unemployment rate — one of the lowest in the region and

half or less than that of Indonesia (6 per cent) and the Philippines (6.8 per cent).

Since 2010, Malaysia had grown economically by an average of 5.3 per cent a year, outpacing Thailand, he said.

The economy, which was based on agriculture, had also been transformed to a manufacturing and services-based economy, accounting for 76.5 per cent of gross domestic product (GDP), where agriculture contributed only 9.2 per cent.

Growth also saw a transformation of living standards, with average household income increasing more than twentyfold.

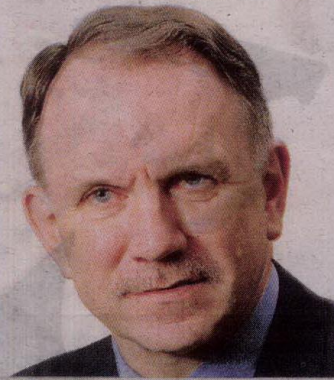
As a result, Dauth said, Malaysia was on the cusp of crossing the US\$15,000 (RM65,900) per capita GDP threshold into the tier of advanced-income countries — a goal Najib made the centrepiece of Malaysia's 2016-2020 economic programme.

He said the achievements were realistic for Najib who, having been finance minister since 2008, had the required experience and leadership.

He acted pre-emptively to

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strengthen public finances, which was essential as a buffer against global trends, Dauth said.

He commended Najib for his bravery in using falling oil prices to phase out petrol and diesel subsidies, while introducing the Goods and Services Tax to strengthen the country's tax base and reduce its reliance on volatile oil and gas revenues.

Dauth said with the country's ethnically diverse community, the International Monetary Fund had noted that an integral part of Najib's fiscal strategy was to strengthen Malaysia's social safety.

"Overall, the poverty rate declined

from 49.3 per cent in 1970 to 0.6 per cent last year, meaning Malaysia has effectively eliminated hardcore poverty."

He said Malaysia was the Asean leader in closing the gender gap, where more management positions were held by women compared with Hong Kong and Singapore.

Last year, Najib had set a goal to have 30 per cent of women in decision-making positions.

"(Malaysia) is a country at a historic juncture in development terms, making the right decisions as it climbs the development pole. You don't do that without the tried and tested leadership of someone like Najib."