

# 'Reforms yielding results'

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## Economy improving despite challenges, says Anwar

**PUTRAJAYA:** Datuk Seri Anwar Ibrahim has defended the government's handling of the economy, asserting that although the reforms may be challenging, they are beginning to yield real and positive results.

While acknowledging public concerns and criticisms against how the government is managing the economy, the Prime Minister pointed to Malaysia's improving economic trajectory.

"We are burdened with a tired fiscal system, weighed down by old debts and a narrow income base. But like it or not, we must reform, even if it's tough," he said at the Finance Ministry's monthly gathering.

Despite global geopolitical and economic uncertainties, Malaysia has shown encouraging achievements in investment, economic performance and fiscal stability, he said.

The economy, he added, is improving in several key areas, citing Malaysia's 11-places jump to 23rd position in the world in the latest global competitiveness ranking as one of the nation's notable achievements.

"This is the best achievement since 2020. We are the only country to record an improvement of more than 10 places.

"This achievement is not only the result of prudent fiscal and financial policies, but also due to the competence and capability of our civil servants," he said.



**Nice to meet you:** Anwar greeting people after Friday prayers at the Kampung Sri Aman Mosque in Puchong. — Bernama

The Prime Minister also said the economy grew by 5.1% last year, the national unemployment rate is down to 3% – the lowest in 10 years – and the ringgit has strengthened, gaining over 5% against the US dollar.

"This shows that the world is recognising our reforms and investors are responding positively to the direction we are taking," he said.

The Prime Minister gave assurance that reforms are not about abandoning the people.

"Instead, help is being deliv-

ered in a more targeted and effective way, where in 2023, 85% of households were unaffected by changes to electricity subsidies.

"Diesel subsidies were adjusted in 2024 to reduce government spending without raising the cost of goods, as the logistics sector continued receiving support," he said.

The government, Anwar said, is committed to reducing the country's fiscal deficit to ensure a more sustainable economy and to maintain investor confidence.

He said when he assumed lead-

ership in 2022, the country's fiscal deficit was at 5.5%, adding that last year, it reduced to 4.1% and this year, the projection for fiscal deficit is 3.8%.

"Some people ask why we want to reduce the deficit so much. Why not just give more to the people? But if we don't do it this way, investor confidence will not be there.

"For me, the foremost responsibility of leadership and economic management is to implement policies that we believe are good," added Anwar.