

Najib Shows Exemplary Economic Leadership To Take Malaysia To Next Level

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KUALA LUMPUR, May 26 (Bernama) -- The economic policies of Prime Minister Datuk Seri Najib Tun Razak is setting the stage for the Malaysian economy to expand even further.

Taking over as Malaysia's sixth prime minister in April 2009 when the country's second quarter gross domestic product (GDP) growth slowed to 3.9 per cent amidst the global economy being thrown into disarray by the sub-prime financial crisis in the West, Najib wasted no time by taking the bull by the horns.

His swift action via a "mini budget" a month later resulted in 2009's fourth quarter recording a 4.5 per cent GDP growth, which exceeded many people's expectations, according to Director of Economic Research, AmResearch, Manokaran Mottain.

Manokaran, a member of the National Economic Action Council (NEAC), said the most notable action was Najib's lowering of interest rates, a right move in mending the economic weaknesses.

"By lowering interest rates, the move increased disposable incomes, lowered repayments to borrowings and thus the public had more to spend and this in turn strengthened private consumption," he said.

The Najib administration had created a "life going on environment" at that time and this was eventually proven to be the right and pragmatic step.

This was especially because the Malaysian economy was projected to contract by 5.0 per cent in 2009 but at the end of it all, it turned out to be only 1.7 per cent.

The Malaysian economy rebounded sharply by 7.2 per cent in 2010 and still managed to grow by 5.2 per cent in 2011, amidst the turbulence emanating from the Eurozone sovereign debt crisis.

If one were to look back, Malaysia has had 10 consecutive quarters of economic growth since Najib came on board as prime minister in 2009, starting with Q4 2009. Despite the external crisis in the Eurozone, Malaysia still recorded a strong 4.7 per cent growth in Q1 2012.

With the ongoing Economic Transformation Programme (ETP) and Government Transformation Programme (GTP) now moving on track and coupled with the policy implementation of the New Economic Model, Malaysia's domestic sector is well poised to face the vagaries of a possible hostile external environment.

The ETP will definitely be a huge catalyst for the economy for the next 10 years as some of the 131 entry point projects (EPPs) will be on-going until 2020. One of them is the mass rapid transit network that will have a huge impact on the economy once the project get off the ground.

Najib, who is also Finance Minister, had said that those kind of projects would add 0.6 to 0.7 per cent to the GDP. There will be many brisk economic activities and projects, which will

contribute to the GDP.

Most economists say that a 5.0 per cent growth annually from now on will be enough for Malaysia to achieve the status of a developed country. Malaysia's 2010 and 2011 GDP growth at 7.2 per cent and 5.1 per cent, respectively, will give an average of 6.1 per cent growth.

Najib and his team have foreseen what vital factors are necessary to make the Malaysian economy tick. There is no question where the economy is headed.

In this regard, Malaysians can take comfort in that Najib has shown exemplary economic leadership in propelling the country towards the right direction despite the economic downswing in other parts of the world.

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