

Malaysia on track to becoming high-income nation by 2020, says Najib
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Malaysia is on track to achieving its goal of becoming a high-income nation by 2020 despite the current volatile global economic situation, Datuk Seri Najib Razak said Monday.

However, the prime minister (pic, right) said the country must always be prepared for changing conditions and external shocks beyond its control.

Speaking at the 5th Global Science and Innovation Advisory Council (GSIAC) at a hotel in midtown Manhattan, Najib said the fundamentals of the country's economy remained strong and that there were indicators showing its economy was on the right track.

He said unlike during the 1998 Asian economic crisis which saw the economy contract by -7%, the economy was expected to grow at a rate of 5%.

Najib said learning from the 1998 crisis, the government had managed to reduce fiscal deficit from -6.7% in 2009 to 3.2% this year.

"Hence, the banking and financial system continues to have strong capitalisation and ample liquidity. The rate of non-performing loans and inflation are low and manageable," he said.

He also cited the success of national policies, in particular the National Transformation Policy, which he said had led to a decline in poverty rate to just 0.6% in 2014.

Najib said about 1.8 million jobs had been created since the launch of the Economic Transformation Programme in 2010.

The prime minister added that ratings and reports by international financial agencies such as Fitch Ratings, Moody's, and Standard & Poor's had reflected the actual picture of the current economic management in Malaysia.

Malaysia was also ranked 12th out of 60 countries in the World Competitiveness Yearbook 2014.

"The nation's well-being and the welfare of the people have always been my foremost concern and priority," the prime minister said, adding that it was important to strike a balance between the capital economy and the people's economy.

He said capital economy referred to economic management and policies from the macro perspective while the people's economy focused on issues affecting the daily lives of the people such as cost of living, household income, employment and business as well as security and safety.

"We have achieved all these successes because we have not been averse to evaluate our performance in an open and transparent manner, and to make the changes that prevailing conditions demand," he said.

GSIAC was initiated by Najib in 2011 as part of his efforts to transform Malaysia from a middle-income country to a high-income economy by 2020. – Bernama, September 29, 2015.

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