

Ex-Aussie envoy praises Najib's leadership
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Prime Minister Datuk Seri Najib Razak has managed to lead Malaysia to achieve one of the most impressive growth records in Southeast Asia by combining social inclusivity and pro-market economic policies, a former High Commissioner to Malaysia said.

John Dauth, who was based in Malaysia from 1993 to 1996, said since Najib became the prime minister, 1.8 million jobs had been created, resulting in a 3.0% unemployment rate – one of the lowest in the region and half or less than that of Indonesia's 6% and the Philippines's 6.8%.

"Growth has also seen a transformation of living standards, with average household income increasing more than 20-fold. Malaysia did well in the decades after 1970 in harvesting the low-hanging fruit of economic development.

"As a result, the country is on the cusp of crossing the US\$15,000 (RM65,000) per capita gross domestic product (GDP) threshold into the tier of advanced-income countries, and a goal Najib has made to be the centrepiece of Malaysia's 2016-2020 economic program," he said in an opinion piece for The Australian today.

He said the prime minister acted pre-emptively to strengthen the public finances, essential as a buffer against global trends, whereby according to the International Monetary Fund's most recent Article IV consultation, "fiscal consolidation is well timed, appropriately paced, and remains on track".

Dauth said that last year, Najib took the courageous step of using the window created by falling oil prices to eliminate expensive and poorly targeted petrol and diesel subsidies.

This is in addition to introducing a broad-based 6% goods and services tax (GST) to strengthen the country's tax base and reduce the reliance on volatile oil and gas revenues.

With various reforms in place, Malaysia's fiscal deficit had almost halved since Najib became prime minister and is on course to be eliminated by 2020.

Dauth said Malaysia is a country at a historic juncture in development terms, making the right decisions as it climbs the development pole.

"You do not do that without the tried and tested leadership of someone like Najib," he added. – Bernama, November 13, 2015.

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