

Cash handouts 'close to' vote buying, says Dr M
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By Hafiz Yatim

Former Prime Minister Dr Mahathir Mohamad has opined that government cash handouts for the people was akin to vote-buying.

Fielding questions from the floor at the Perdana Leadership Foundation's CEO Forum 2012, Mahathir said he did not approve of such practices because the public would become dependant.

"I would prefer (to focus) on building infrastructure. Of course, I did not have as much money as the present government.

"But I think when a government has no time and they are facing an election year, they make a decision that is easy (for them).

"If you give people money, then they should support (you). Maybe it is not vote-buying... but it is very close to that," he said.

He was replying to a question which sought his opinion on the federal government's cash handouts and whether it was a form vote-buying.

Despite running a budget deficit since taking over in 2009, the Najib administration spent RM2.6 billion on the Bantuan Rakyat 1Malaysia (BR1M) cash handout programme.

20pct oil royalty unfair

Households with a combined income of below RM3,000 were allowed to apply for a RM500 voucher, aimed at helping with rising cost of living.

Prime Minister Najib Abdul Razak has hinted that there might be a second round of BR1M soon. The announcement might appear in Najib's Budget speech on Sept 28.

Currently, Malaysia's budget deficit stood at RM503.8 billion, which is dangerously close to the 55 percent debt-to-GDP ratio limit.

Earlier in his speech, Mahathir argued that Pakatan, knowing that it will not win the election, would make many grand promises, such as the pledge to allocate 20 percent oil royalty to some states.

This, said Mahathir who is also a former finance minister, was unfeasible as it would burden public coffers and would cause an imbalance in national development.

"Can you imagine? At five percent, the government have to fork out RM1 billion every year and at four percent the federal government will have to fork out RM4 billion every year to the oil producing state.

Less democracy, better economy

"This would also not be in the spirit of federalism which the country adopts, as some states which have oil would be better developed compared to states who does not have it.

"In Pakatan, they can make any promises as they do not expect to win and as election approaches they will make any promises," he said.

Mahathir also reiterated his long-held position that there should not be too much democracy in Malaysia because it would hamper economic growth.

As an analogy, he contrasted how India, which has much freedoms, was lagging in terms of the economy compared with an authoritarian state such as China.

"This resulted in China which was once economically poor to India, to have overtaken them and is one of the top countries economically," he said.

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