

Budget 2013 - do or die for Najib?

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This is certainly a make or break week for Prime Minister Najib Razak. His political survival hinges on the contents of a briefcase he will carry to Parliament on Friday and on whether the carefully tailored budget speech would work its magic on the rakyat.

If it does, we could expect the prime minister to call for dissolution of Parliament, making way for the much-awaited general election.

Therefore, we won't be off the mark if we predict that Najib would be offering more goodies and cash handouts as a way of shoring up his support base. Yes, it would be another deficit budget.

And no, the government isn't thinking about the rising national debt, which in May, stood at USD148 billion or 53.5 percent of GDP.

Throwing money to win support is nothing new to Najib. As of May 2012, his government gave out USD779 million to 4.7 million households. Students too were given money, civil servants enjoyed pay raises and even taxi drivers were given vouchers to get tires.

And all this despite the government running thirteen consecutive annual deficits. But the government has not managed to boost its dwindling support.

And yet, Najib is mulling more cash aid clearly dismissing the fact that pump priming the economy and massive spending have failed to draw the people to support the government.

So Friday's budget is crucial.

November polls?

Of course Najib could delay the general election until as late as April next year, but the signs are pointing toward a November date. And if so, besides the feel-good budget Najib has precious little time to beef up support for his ruling coalition, with polls suggesting this election will be the most fiercely fought in the country's political history.

But if the premier still chooses to wait, he would face bigger risks. The world economy could get worse and if it does, there is hardly any room for the government to manoeuvre fiscally.

So he has got to bite the bullet.

According to recent polls, Najib's popularity is way above that of his party's but he is extremely cautious and absolutely scared.

Having inherited the position of the prime minister, Najib will be looking for his own mandate when he calls for polls. And that brings us back to the fact that the budget, which is a crucial political tool in clinching his ambition.

But this is easier said than done. Najib and his party are haunted by one too many political scandals. His colleagues have been rubbished with allegations of corruption amounting to billions of dollars.

Najib's own image is in tatters following the opening of French investigations related to the purchase of submarines with huge kickbacks when he was the defense minister.

And of course the ghost of Altantuya Shaariibuu, an interpreter whose murder has been linked to the premier and his former close pal Abdul Razak Baginda.

If this is not enough headache, the prime minister has to also take into account the 2.2 million voters casting ballots for the first time. It's anyone's guess that a large number of these voters would register protest votes against the Barisan Nasional government.

The M factor

And we also cannot dismiss former Prime Minister Dr Mahathir Mohamad's influence in the country's politics. Neither can we forget the crucial role he played in the revolt against former premier Abdullah Badawi.

Mahathir has not gone off the radar despite promising to retire quietly. His comments and statements are continuously plastered in every news media. And he has not been kind to Najib.

Mahathir recently said Najib's cash handouts are "close to vote buying" and predicted his government would be weak even if he comes back to power.

Furthermore there are growing signs that the relations between Najib and his deputy and heir apparent has gone from chilly to frigid. Muhyiddin Yassin has appeared to contradict and even undermine his boss on several occasions.

So where does this leave Najib? In a very shaky position, I must say.

And to top it off, it's highly unlikely that Malaysians would respond to his lavish spending and efforts to create a feel-good factor, come Friday.

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