



**Transparency needed from gov't
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Politicians temperatures are running very high with gambling fever these days after the disclosure that donations from a turf club were purportedly used for welfare programmes in the state of Penang.

Media reports highlighted that "50 teary-eyed elderly folk each handed over their RM100 compassionate allowance received from the Pakatan Rakyat (PR) state government after being told the money was "non-halal".

I was both angry and sad when I saw pictures of senior citizens returning the so called non-halal RM100 notes. Society should condemn the exploitation of the vulnerable, if the senior citizens were coerced into returning the money.

As the donation from the Turf Club was given to an opposition state, BN politicians have not ceased their condemnation of opposition parties using non- halal money for government programmes. The condemnation raises fundamental questions on issues of transparency, good governance and ethics in related to the sources and expenditure of government revenue.

The target of the BN led criticism by its politicians and lackeys is an opposition chief minister and not the system which approved licenses for many forms of gambling in the last 50 years.

All religions and cultures do not support gambling, legalised or otherwise. Therefore gambling is haram or forbidden for Muslims, Christians, Hindus, Budhists and the cultures of indigenous communities do not condone the gambling vice.

The issues that should take centre stage in the debate on government revenues from gambling should be policies on gambling, good governance, transparency and disclosure in the sourcing and management of government resources.

If BN politicians believe that gambling is non-halal, then they should withdraw all gaming licenses.

The rational that legalising gambling will prevent illegal gaming activities is incorrect, as experiences in most countries have shown. Illegal gambling is a thriving industry, various sources tell me.

Countries which have legalised gambling have obtained substantial revenue through taxes from gambling profits , lottery proceeds and licensing fees. Lotteries, casinos, horse races, poker machines etc have certainly added to government coffers.

Governments have used fiscal deficits as a reason in justifying the granting of gaming licenses.

Difficult to obtain data



But it is difficult to obtain data on the total revenue sourced from the profits as well as donations and other contributions from the gaming industry.

What are government revenues from gambling used for in Malaysia? Information is not available if gambling revenues are used for purposes of education, poverty eradication or infrastructure development.

What are the revenues that are channelled into the so called Consolidated Fund ? Or is there a special fund for gambling revenue that is utilised for only non-Muslims?

Perhaps there is a special or secret fund that only senior politicians have access to?

How do government ministers and politicians know which government revenue is halal or from forbidden sources?



The public has the right to know the sources of government funding. Without a Right to Information Bill, such information will only remain as official secrets.

All forms of legalised and illegal gambling occur daily. Wide publicity in the media is given to jackpots and big lotteries when they are won.

Print media highlighted a few months that 30 millionaires were created over a weekend lottery draw. Approving gaming licenses and providing publicity to lottery wins and jackpots by the mainstream media are political pronouncements of support for the gaming industry.

The gaming industry is a major contributor to political financing in countries where gambling is legalised.

Lucrative lottery

History offers some interesting lessons on gambling and political parties in Malaysia. In its early years, Umno was dependent on cash-rich MCA which also funded the then Alliance coalition.

MCA generated funds from a lucrative lottery it started in 1949. The British banned the lottery in 1953 after receiving complaints from other political parties.

When MCA left the Alliance coalition temporarily, Umno realised the importance of financial independence. According to Tengku Razaleigh, the former treasurer of Umno, this is when the party began to invest in businesses.

However, in the absence of regulations in Malaysia for political parties to disclose all political contributions, it is difficult to obtain accurate information on the contributions made to politicians and political parties by the gaming industry.

The political financing system is shrouded in secrecy. Information on the opaque sources of funding is not easily accessible. Some of the sources of political funding are anonymous donations, business investments of political parties, corporate contributions and slush funds.

Dominant force

As political parties are a dominant force in the political landscape of governance, reforming the political financing system in the country particularly the disclosure and transparency of the sources of political funding is crucial for public trust in political parties.

Legalised gambling is not a good social policy. The government should focus on the social impact of gambling such as the destruction of family life.

In the US, the National Gambling Impact Study showed that gambling has more history of corruption than any other industry.

Transparency in the sources, amounts and channelling of government revenues is needed to build public trust in government.

Labelling of these revenues as haram and halal are intended to evoke religious and racial sentiments which we should all condemn and demand for truth and good governance from elected politicians in whom society has rightly or wrongly put its trust.



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