

**Anwar vs Shabery in historic debate**  
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PKR de facto leader Anwar Ibrahim and Information Minister Ahmad Shabery Cheek participated in a historic debate which was carried live on TV tonight.  
MCPX

anwar ibrahim and ahmad shabery cheek debate 150708 02

The debate entitled 'Form the government today, reduce fuel prices tomorrow' was held at the Dewan Bahasa dan Pustaka in Kuala Lumpur.

It began at 9pm and lasted for one hour.

Viewers watched the debate either live on the Internet - from websites Global Media Channel and BernamaTV - or live on TV on TV9, Astro Awani and Bernama TV.

Both Anwar and Shabery, who stood on a stage in a similar set-up to the United States presidential debate, kicked off the session with a 4-minute opening statement each.

This was followed by questions from a three-member panel.

The event, sponsored by web portal AgendaDaily, was moderated by Dewan Bahasa and Pustaka chairperson Johan Jaafar and two other panelists - current affairs weekly Siasah editor Zulkifli Sulong and Universiti Utara Malaysia vice-chancellor Nordin Kardi.

After their opening speeches, Shabery and Anwar were questioned by the panelists. Following this, both debaters were given the chance to ask each other one question.

The debate ended with a 90-second wrap-up speech.

**Anwar: We can slash 50 sen off**

Anwar, 60, who was casually dressed in a beige sports jacket and white shirt, was the first to speak and in his opening, he declared that should Pakatan Rakyat come to power, it would, as an early measure, reduce fuel prices by 50 sen per litre.

anwar ibrahim and ahmad shabery cheek debate 150708 03In order to finance such a measure, Anwar proposed that leakages be plugged and that national power supplier Tenaga Nasional (TNB) reduce their reserve capacity from 40 percent to 20 percent, thereby reducing the amount of funds going to independent power producers (IPPs).

"We have the highest (electricity) reserves in the world. Who profits? IPPs. Why should we allow that? Petronas and TNB have to incur the costss. But IPPs profit," he said.

By doing so, Anwar argued that the government would have saved RM2 billion. He said an additional RM3 billion needed to finance the 50 sen reduction in fuel prices would be sourced elsewhere.

"Five billion is enough to help lighten the burden on the rakyat. The Perwaja bailout was RM13 billion of government's money," he added.

Shabery: Why only 50 sen?

In Shabery's opening statement, he went on the offensive, pointing out that Anwar's claim of reducing fuel prices was made prior to the March 8 general elections and as such, the 50-sen reduction should be for the price before the recent fuel price hikes, which was RM1.92.

anwar ibrahim and ahmad shabery cheek debate 150708 04 "If we were to maintain prices of fuel at RM1.92, the amount of subsidies needed is RM50 billion. This would mean that a lot of development projects - schools, rakyat, roads (cannot be implemented) - to maintain our lifestyle," he said.

Shabery, 50, who was more formally attired in a black jacket and pink shirt, then spent about two minutes arguing that the fuel prices were not the fault of the government but the result of a rise in global crude oil prices.

By the three-and-a-half minute mark, Shabery launched his first of many personal attacks against Anwar by highlighting the opposition politician's role in organising street demonstrations when he was a youth leader.

Round 2 - questions for debaters

The second phase of the debate involved both speakers responding to a question posed by Johan which reads as follows:

anwar ibrahim and ahmad shabery cheek debate 150708 08 "At the moment, Petronas has only a 20 percent market share of the fuel pumps. This means that the government has to subsidise several giant oil companies such as Exxon Mobil and Shell. How do you view this?"

In response, Shabery touched on the question fleetingly, admitting that the subsidies may go to foreign companies, the rich and foreigners, and then attacked Anwar's opening statement claim that stemming corruption and government leakages can lead to lower fuel prices.

"Ask Norway and Finland. Ask developed countries with are said to have few cases of corruption. They don't subsidise their fuel yet they their economies perform well. Malaysia should head in that direction," he said.

Petronas is rich enough to help

Quick to reply, Anwar chided Shabery for comparing Malaysia with Norway which has a per capita income 10-folds that of Malaysians and this was not a basis for comparison.

anwar ibrahim and ahmad shabery cheek debate 150708 06 Anwar reiterated that subsidies were portrayed negatively by the government when it was not described as such when the government used taxpayers money to help big businesses.

"The amount spent on Perwaja, MAS (Malaysia Airlines) and other bailouts are known as 'financial aid' and 'saving the economy'. But to help the farmers and the fishermen, it is known as 'subsidies' - a very negative term," he said.

Anwar said that Petronas was a rich company which could afford to spend a small portion of its profits to help the public.

This could be done without impeding its ability to operate and invest further.

Round 3: Questions from panelists

The third-phase of the debate involved their appointed panelists taking turns to pose questions to the speakers.

anwar ibrahim and ahmad shabery cheek debate 150708 09Shabery's appointed panelist, UUM vice-chancellor Dr Nordin Kardi, instead of posing a question, made a short speech on how Anwar's plan to use Petronas' profits to keep fuel prices low was akin to a 'fighting over the spoils' in order to be popular.

Anwar answered that Pakatan Rakyat's policy was not to touch Petronas' coffers but the dividends the company returns to the government and denied that he was trying to be popular.

"The amount we specified - 50 sen - is not an amount which is overboard. This is an early measure. Shabery said I promised more. Correct.

"The reason why I said it is an early measure is because the negative effects on the economy (caused by fuel price hikes) is not supported by the people. It is only supported by Barisan Nasional MPs," he said with a wide smile.

But Shabery failed to answer

Meanwhile Anwar's appointed panelist, Siasah editor Zulkifli Sulong, then asked Shabery on the government's claim that the RM4 billion saved from the March 2006 fuel hike to be spent on improving public transport.

"But according to what was told in Parliament, only RM834.7 million was spent. How did this happen? This time however, the government can save RM13 billion... what would happen to the 'bigger savings' this time?" asked Zulkifli.

Shabery shot down Zulkifli's question by saying that at the time of announcement, oil prices were US\$70 per barrel while now it was US\$140 per barrel, but did not respond to the question on public transport.

Instead Shabery went to talk about how Venezuela and Iran had low oil prices but staggeringly high inflation and how the Malaysian government had weathered through the ongoing food crisis and still keep rice prices lower than even Thailand, a rice producer.

"So what we're trying to say is that (problems) can be solved with proper subsidies.

anwar ibrahim and ahmad shabery cheek debate 150708 07"We don't have to have street rallies and we should thank God that we can gather here today (to debate) and not get involved in obscene concerts," he said, who received wild applause from half of 300-strong crowd who were supporters from BN.

Zulkifli tried to jump in to say that Shabery did not answer his question but this was waved

off by moderator Johan (right), who asked the magazine editor to ask his question to Anwar.

Record profits for Petronas

Zulkifli then proceeded to quiz Anwar on Tabung Warisan (Vision Fund), which the opposition leader had established during his tenure as deputy premier.

Anwar explained that the fund was established at a time when there was a budget surplus and the intention was to save a portion of Petronas' funds for future use. But the fund was not expanded, lamented Anwar.

Anwar then took the opportunity to rebut Shabery's use of Venezuela and Iran as examples.

He said a survey for sundry goods would show that prices have increased, surpassing the official inflation rate as a result of the sharp rise in fuel prices.

According to Anwar, there was no direct correlation of high subsidies with high inflation as argued by Shabery.

"So the minister's observation of inflation contradicts the government's decision (to raise fuel prices) - that if fuel prices are raised, inflation would not go up - who taught them such economic theories?" he said to laughter from the opposition supporters.

"Venezuela and Iran may have low oil price, high inflation. We have high oil price, high inflation."

Anwar then said that there were efforts to distort the issue of fuel price hikes when the country was making record profits from soaring crude oil prices.

Shabery: Flaws in Anwar's arguments

Nordin then asked Shabery why Anwar had chose to lower fuel prices, instead of lowering taxes, providing home rental schemes and putting a lid on inflation at around three percent.

Agreeing with Nordin, Shabery said there were several flaws in Anwar's arguments and that Malaysia was not even among the top 20 oil exporters and it should not be compared to Saudi Arabia or Venezuela.

"We've been taking oil for a hundred year. We're at the final stages. We're a net exporter, but a small one. Only 26 percent of Petronas's money come from our oil. The rest comes from its investments (overseas)," he said.

In view Malaysia becoming a net oil importer in 2015, Shabery said that it was incumbent upon Petronas to use its profits to invest in other countries.

"Thanks to Dr Mahathir (Mohamad), Petronas has operations in 33 countries. (The company) is now one of the biggest and the best in the world. Don't make Petronas poor. We must be realistic. We don't have that much oil," he said.

Round 4: They get to ask one question each

The fourth phase of the debate involved the two participants asking each other a question.

In a lengthy comment-cum-question, Anwar asked Shabery why the media was used to distort the opposition's message when it had argued that our oil resource could have been better managed.

In retorting, Shabery labelled the opposition's message as "populist" as it implied that fuel price hikes were the result of corruption and government leakages.

"We can accept this if the fuel price increase in this country was an isolated case. Anwar appears to deny that the whole world has to pay for higher fuel prices," he said.

Shabery again revisited his argument when Anwar revolted against the government.

"He incited students to take action on Baling. But when he was deputy prime minister, Baling's problems were never solved. Talk is cheap," he said.

Without skipping a beat, Shabery continued to rain verbal blows on Anwar by arguing that the problems involving the IPPs were during the deputy premier's tenure.

"It's now difficult for us to change the (IPP) contracts, because these contracts were supported by Anwar before," he added.

"Anwar likes to say that he is victimised by the media. But when he was in the government, would such a opportunity (to debate on live TV) be given to an opposition leader?" asked Shabery.

Shabery said that Anwar, when he was deputy premier, had favoured economic policies which mirrored those of the International Monetary Fund's (IMF) which the information minister claimed had caused many small businesses to fold.

Shabery also challenged Anwar to name a country which enjoys high subsidies and did not have high rates of inflation at the same time.

'Slashing subsidies is an IMF policy'

Following this, it was Shabery's turn to quiz Anwar. The information minister proceeded to ask if Anwar would consider removing subsidies only when Malaysia runs out of oil in 2015.

Anwar answered that the Petronas reports had specified that Malaysia would be a net importer of oil by 2015 on the premise that no more oil wells would be found in the coming years.

On the IPPs, Anwar said although it was approved when he was finance minister, he and former TNB chairperson Ani Arope had opposed the Economic Planning Unit and then Prime Minister Dr Mahathir Mohamad's decision on those contracts.

Anwar then turned the tables on Shabery by pointing out that government's aim of implementing market prices for fuel was an IMF policy.

"Whose idea was it to raise fuel prices sharply? This is an IMF prescription," he said to the applause from part of the audience.

He added that he was slandered time and again for kowtowing to IMF during the 1997

economic crisis and he would gladly debate the issue at another forum.

Petronas has today announced that it would pay a 'special dividend' of RM6 billion to the government which Anwar said could be used to help keep pump prices low.

Final round

For the final round of the debate, Johan again asked Anwar why the need to form a new government instead of providing feedback to the present government.

Anwar said he chose to attend the debate to provide feedback to his colleagues in Umno and Barisan Nasional, who he said should be open minded to new ideas.

"That is why I'm here. I'm not the prime minister. In fact, I don't even know what will happen to me in a few days," he quipped.

Again, referring to Shabery's earlier example of how countries with cheap fuel had high inflation rates, Anwar reiterated that Malaysia on the other hand was hit by both high fuel prices and high inflation.

"The difference is, their fuel is cheap, but inflation is high. Malaysia fuel prices are now high and even higher inflation. This is not a populist (message). I'm worried that if we don't have better economic policies... we would lose our competitive edge," he said.

Shabery's however, chose to begin his remarks by stating that Anwar now blamed Mahathir for the IPP contracts and quoted a famous phrase used by Anwar to praise the former premier in the past.

"He once said that new constellations could be named Mahathir and Siti Hasmah. If he didn't agree then, he could have resigned," he said.

Shabery reiterated his position that Anwar should stick to his pre-election pledge and use RM1.92 per litre of fuel as his benchmark.

"Are we to say that fuel prices in this country would become cheaper and cheaper as global oil prices become more expensive? Eventually, the country would be burdened. This is not healthy economics," he said.

Shabery also revealed that Petronas Berhad, which is part of Petronas group, had given the government 91 percent of its earnings and the rest were used for further investment.

"Would Petronas be in its (strong) position today if not for Umno and Barisan Nasional?" he asked.

Closing remarks

Following this, the two participants were both given 90 seconds to make their concluding remarks.

Anwar stressed that the recent fuel price hike was too steep and cited theories that there will be a "break point" soon in oil prices and there was a possibility of prices dropping.

"We suggested (the 50 sen discount) with responsibility, because I'm sure that the

government under Abdullah Ahmad Badawi - who knows how long it will last - continues with its policies, in two or three months, our economy would be crippled.

"If you don't agree with this, it's alright. But please listen carefully and objectively - we are committed to continue carrying this message to the people," he said.

Anwar added that he does not want to answer the personal attacks by Shabery because the debate was not the appropriate forum.

Shabery in closing said that there was no reason to oppose Abdullah's leadership because the prime minister does not take more than what is needed from Petronas.

"Now we see attempts to incite people to hold demonstrations, such as what had happened in 1974. Will this solve our problems?" he asked.

The minister said that should Petronas be drained of its funds, the company would become poorer and may eventually have to be sold off.

Anwar then walked over to Shabery to shake his hand.

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