

Why rich politicians need that 7% discount
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OPINION Any Sarawakian knows that our rich politicians do not really need a 7% discount in order to buy luxury homes.

Racist rag Utusan Malaysia stirred up a furore over DAP MP Tony Pua's recent call to end discounts for affluent bumiputeras buying expensive homes. But the political stink is not motivated primarily by Umnoputeras' desire to save money on buying yet another fancy house.

Instead, the shrillest voices in Umno are screaming for Pua to be charged for sedition because they are terrified of losing far more than a puny 7% discount. They are afraid of losing power, if the majority of poor Malays vote against the bloated parasites bleeding Malaysia dry.

Lifestyles of the rich and fatuous

Our own experience in Sarawak tells us that our super-rich elite have no qualms about forking out big sums for homes, discount or no discount.

If you drive past Demak Laut and catch a glimpse of Taib's palace through the gates, you would be unlikely to wonder whether he received a 7% bumiputera discount on his big ugly house. You might instead be thinking how the chief minister could sleep on a golden bed, while his people are choking on a crust of bread (as the Police sang in King of Pain).

Taib's daughter Jamilah's house in Ottawa cost RM28 million, excluding the usual ostentatious furniture and fittings favoured by people of her ilk.

Even modest acolytes of the master builder Taib would not feel the pinch if the discount were abolished: previous State Secretary Hamid Bugo, for instance, could still afford another gigantic, diarrhoea-coloured cube in Petra Jaya, with a little nipple on top, whether 7% is shaved off its price or otherwise.

Similarly, Alfred Jabu does not have to factor in NEP discounts when he buys his expensive properties. He simply needs to bend over ever so slightly, and he will be rewarded amply for his obedience.

Natives are restless

The real reason for the uproar over Pua's remarks is the need to maintain the mass hypnotic delusion that the New Economic Model (NEP) was meant to eradicate poverty and reduce inequality between races.

This mantra has kept Umno in power in Malaysia for 53 years, and Taib rampant in Sarawak for nearly 30. Yet it has been well documented that, under the NEP, the income gap between rich and poor Malays has grown far greater than that between Malays and other ethnic groups. In other words, intra-ethnic wealth disparities among Malays have become worse than inter-ethnic differences.

This was one spark that lit the reformasi explosion in 1999, as well as the ensuing political meltdown for Barisan Nasional in March 2008. Working class Malays have witnessed an orgy

of greed and corruption since 1970, benefiting the Umno and PBB warlords and their cronies, while ignoring the suffering of ordinary Malays.

Malaysia's huge income inequality, between the richest few and the poorest many (regardless of ethnic group), demonstrates that the NEP has benefited overfed Malays far more than working-class Malays.

According to the Ninth Malaysia Plan, the richest 20% of Malaysians owned 51.2% of the nation's wealth, and the bottom 40% had to share 13.5% of the wealth. This means that if ten Malaysians were eating a meal together, the richest two (usually a corpulent Tun or Tan Sri) would gorge themselves on half the food, while the poorest and hungriest four would have to share only one-seventh: a few crumbs.

The real income disparities

According to the United Nations Development Programme, the gap between haves and have-nots in Malaysia, as measured by the widely used Gini coefficient (37.9 out of the worst possible score of 100), is only marginally better than in Timor-Leste (39.5) and is much worse than in Bangladesh (31.0) or Burundi (33.3). This does not even take into account the weaknesses inherent in the statistics, including the under-reporting of poverty among the neglected indigenous peoples of Sabah and Sarawak.

The inter-regional differences in poverty rates, between Sabah and Sarawak with Kuala Lumpur, have also grown since the introduction of the NEP, far outstripping the income differences between Malays and other ethnic groups.

Malaysia would do well to introduce a system of "equalisation payments" as used in Australia. Under such a formula, the federal government is compelled to provide proportionately more federal funding to the poorest states (with the lowest per-capita incomes) so that funding is always based on need, and not short-term political gains for the party in power at the federal level.

Our Malaysian government must extend assistance to the poor of all creeds and colours, instead of focusing on the vehement demands of rich Umno-putera cronies.

Workers cannot earn decent wages

The shocking results of the government's own National Employment Returns study, announced by the Human Resources Ministry, showed that 34% of 1.3 million Malaysian workers are earning wages below RM720, the national poverty line. This figure would, of course, be even higher in Sabah and Sarawak, since the cost of living here is more expensive, and the poverty line set higher, than in the peninsula.

It comes as little surprise that even Kuala Lumpur harbours hardcore poor areas, as admitted by PM Najib and minister for "urban wellbeing" Raja Nong Chik Raja Zainal Abidin. Oddly enough, Najib announced the number of hardcore poor areas was 92, suspiciously lower than his minister's own statistic of 135. Perhaps Apco advised Najib to cut 30% off the true figure – a little "discount" of his own.

Tony Pua has wisely exploited Najib's public relations vehicle, the New Economic Model (NEM), to justify the DAP's call for the removal of the 7% bumiputera discount on expensive houses. This has helped to prove Najib's NEM promise of "needs-based affirmative action" was empty talk, since Umno remains compelled to defend the privileges of rich Malays,

instead of the poor.

For Umno warlords, there is far more at stake than 7% off their next mansion. Their entire superstructure of corruption, racism and patronage rests on silencing voices of dissent, like Tony Pua's.

If Umno truly wanted to improve the lot of poor Malaysians, could the 7% to 10% discount on luxury properties not be abolished, and the savings used to finance decent low-cost housing for the poor? Would 7% off a RM1 million mansion, or RM70,000, be too small a sum to build a comfortable low-cost home for a poor family? - Hornbill Unleashed

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