

**Gloomier economy poses poll risk to BN**  
**The Malaysian Insider**  
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**By Lee Wei Lian**

KUALA LUMPUR, Nov 29 — The prime minister could be pressured into calling an election by early next year to minimise damage to the government's political standing due to a deteriorating economic outlook, says Nomura in its Malaysia outlook report for 2012.

The research arm of Japan's leading brokerage and financial services group also said that a surge in new voters since the last general election will mean stiffer competition at the polling booth.

"The clock is ticking faster. Speculation is rife that the next general election could be held within months," said the report.

Nomura's outlook report for 2012 said Malaysia is vulnerable to a potential slowdown in China. — Reuters pic

It also said that as Asia's third most export-oriented economy after Hong Kong and Singapore, Malaysia is vulnerable to a potential slowdown in China.

"In such a scenario, Malaysia would end up in a vulnerable position. Its three key growth engines — the public/private sector economy, manufacturing exports and commodity resources — would likely be in much weaker positions, in our view," said Nomura.

The government, however, has maintained that the economy will remain resilient despite fiscal turmoil in advanced economies in Europe and increasingly strident reporting on concerns about China's real estate bubble.

Officials cited high commodity prices that are expected to boost rural spending and intensification of projects linked to the Economic Transformation Programme that will help bolster domestic demand as reasons for GDP growth forecasts consistently above those from independent economists.

Nomura also said in its report that the pool of eligible voters had grown by 1.9 million to 16.3 million at the end of the first quarter of this year and the increase in eligible voters could hit 3.2 million by the first quarter of 2013.

"Taking into account the 2.58 million registered voters who did not turn out in the 2008 elections, we estimate the increase in the number of people who actually vote could reach 9.43 million, a highly significant number, which we believe would likely intensify competition given that the ruling coalition only won by a mere 384,688-vote majority in 2008," said the report.

Nomura noted, however, that not all eligible new voters are likely to be registered by the next general election and put a conservative estimate at 1.69 million new votes, or 17 per cent of the total possible turnout.

As of July last year, Pakatan Rakyat (PR) was leading in the voter registration drive, signing up twice as many voters as Barisan Nasional (BN) in the first six months of 2010.

The DAP was also leading in signing up more voters compared with other political parties,

registering 32.5 per cent of the new 169,838 voters registered between January and June last year.

Umno followed, registering 32.3 per cent of the new voters, with PAS at 22.7 per cent.

But even if PR were to win the popular vote count with new voters, it does not follow that it would win government.

With the first-past-the-post system that Malaysia practises rather than proportional representation, a party can still win the popular vote but fall short of becoming the incumbent government.

In the 2008 polls, BN obtained 4.1 million votes, or about 51.4 per cent of the total, giving it a 63 per cent share of parliamentary seats.

PR obtained 3.8 million votes — 47.8 per cent of the total — yet gained a disproportionate 37 per cent of parliamentary seats.

A recent controversy over new voters erupted when PKR alleged that a Bangladesh government website said that its citizens were offered Malaysian nationality in exchange for their support at the polls.

Barisan Nasional leaders, however, denied the claims.

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