

**Anwar: Pakatan won't bring country to economic ruin**  
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**By Clara Chooi**

KUALA LUMPUR, Oct 22 — Datuk Seri Anwar Ibrahim today denied rival Datuk Seri Najib Razak's prediction that a Pakatan Rakyat (PR) federal government would lead Malaysia to financial disaster, reminding the prime minister that all four PR-governed states had earned sterling praise in the just-released Auditor-General's report.

The opposition leader also said that Najib's remarks at MCA's 59th annual general meeting yesterday suggested the premier had not read the audit report, which detailed the performances of all state and federal administrations last year.

"These figures (in the AG report) reflect what really happened, which contradicts the accusations and allegations made by the prime minister," he said during the committee stage debate on Budget 2013 in the Dewan Rakyat this afternoon.

In his speech at the opening of MCA's annual assembly yesterday, Najib had warned that a federal government under the opposition pact could be destroyed within just a year, resulting from the plummeting of share prices and the probable ruin of the economy.

Anwar cited figures in the AG's report that revealed how the Penang government had in past year scored the highest performance rating by recording a 47 per cent increase in revenue.

Close on its heels were other PR states, Anwar told the House today, with Kelantan's revenue climbing by 13 per cent while Selangor and Kedah both recording 4 per cent increases.

"But of the nine states under BN, six improved in revenue while three others experienced declines... Perlis dipped by 16 per cent, Johor by 18 per cent and Malacca recorded the highest decline at 24 per cent," he said.

Anwar also noted that according to the report, federal debt had soared significantly 71 per cent in four years, from RM266 billion in 2007 to a staggering RM456 billion last year.

He said that household debt as at the end of 2010 stood at RM581 billion or 76 per cent of the country's gross domestic product (GDP).

The Permatang Pauh MP said the figures found in the A-G's report should not be carelessly discarded, pointing out that if Malaysia were to continue in this direction, financial ruin may be inevitable.

"My colleagues will likely cite more of these figures for you but what I would like to surmise here is that despite these figures in the report, one big problem has yet to be resolved and answered to — the Global Financial Integrity report on the illicit outflows from the country.

"Until today, the government has failed to offer a satisfactory answer... as if there is an intention to protect the criminals who plundered and pillaged this country," he said.

Earlier this year, The Malaysian Insider cited a London-based research as revealing that a colossal RM893 billion had been siphoned out of Malaysia's economy into tax havens abroad between 1970 and 2010, placing the country among the top 20 nations in the developing world labelled as "losers" of capital flight.

The sum is more than triple that of Malaysia's national debt total, which amounted to RM257.2 billion in 2011, according to previous media reports.

In the study commissioned by Tax Justice Network (TJN), a London-based organisation of professionals including economists and tax consultants, Malaysia is now ranked 12th on the list, two rungs above Singapore's RM533 billion outflow and three below Indonesia's RM1 trillion.

In December last year, the US-based financial watchdog GFI reported that Malaysia had lost RM150 billion through capital flight in 2009 alone, the fourth highest in the developing world.

The watchdog also found that Malaysia had lost a total of US\$338 billion (RM1.08 trillion) over the first decade of the century while RM930 billion had left the country between 2000 and 2008, growing to RM218 billion per year from an initial RM71 billion in that period.

The federal opposition has long railed against the ruling Barisan Nasional (BN) over its alleged fiscal irresponsibility, claiming its relentless spending and massive illicit capital outflow would soon plunge the country into a debt crisis.

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